

**FIRST ENGROSSMENT**

**ENGROSSED HOUSE BILL NO. 1377**

Introduced by

Representatives D. Ruby, Henderson, Kasper, Kempenich, Koppelman, Wolff

Senators Boehm, Hogue, Myrdal, Wobbema

1 A BILL for an Act to amend and reenact subsection 17 of section 16.1-08.1-01, subsection 4 of  
2 section 16.1-08.1-02.1, sections 16.1-08.1-02.3 and 16.1-08.1-02.4, subsection 3 of section  
3 16.1-08.1-03.2, sections 16.1-08.1-03.7 and 16.1-08.1-06.2, subsection 11 of section 54-66-01,  
4 and section 54-66-02 of the North Dakota Century Code, relating to inflationary adjustments for  
5 campaign finance reporting thresholds.

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

7 **SECTION 1. AMENDMENT.** Subsection 17 of section 16.1-08.1-01 of the North Dakota  
8 Century Code is amended and reenacted as follows:

9 17. "Ultimate and true source" means the person that knowingly contributed over two  
10 hundred fifty dollars solely to influence a statewide election or an election for the  
11 legislative assembly.

12 **SECTION 2. AMENDMENT.** Subsection 4 of section 16.1-08.1-02.1 of the North Dakota  
13 Century Code is amended and reenacted as follows:

14 4. The statement filed according to this section must show the following:  
15 a. The balance of the filer's convention accounts at the start and close of the  
16 reporting period;  
17 b. The total of all revenue received and expenditures made of two hundred fifty  
18 dollars, or less;  
19 c. The total of all revenue received and expenditures made in excess of two  
20 hundred fifty dollars;  
21 d. For each aggregated revenue received from a person in excess of two hundred  
22 fifty dollars:

- 1 (1) The name of each person;
- 2 (2) The mailing address of each person;
- 3 (3) The date of the most recent receipt of revenue from each person; and
- 4 (4) The purpose or purposes for which the aggregated revenue total was
- 5 received from each person;
- 6 e. For each aggregated expenditure made to a person in excess of two hundred fifty
- 7 dollars:
- 8 (1) The name of each person or entity;
- 9 (2) The mailing address of each person or entity;
- 10 (3) The date of the most recent expense made to each person or entity; and
- 11 (4) The purpose or purposes for which the aggregated expenditure total was
- 12 disbursed to each person or entity; and
- 13 f. For each aggregated revenue from an individual which totals five thousand
- 14 dollars or more during the reporting period, the occupation, employer, and
- 15 principal place of business of the individual must be disclosed.

16 **SECTION 3. AMENDMENT.** Section 16.1-08.1-02.3 of the North Dakota Century Code is  
17 amended and reenacted as follows:

18 **16.1-08.1-02.3. Pre-election, supplemental, and year-end campaign disclosure**  
19 **statement requirements for candidates, candidate committees, multicandidate**  
20 **committees, and nonstatewide political parties.**

- 21 1. Prior to the thirty-first day before a primary, general, or special election, a candidate or
- 22 candidate committee formed on behalf of the candidate, a multicandidate political
- 23 committee, or a political party other than a statewide political party soliciting or
- 24 accepting contributions shall file a campaign disclosure statement that includes all
- 25 contributions received from January first through the fortieth day before the election. A
- 26 candidate whose name is not on the ballot and who is not seeking election through
- 27 write-in votes, the candidate's candidate committee, and a political party that has not
- 28 endorsed or nominated any candidate in the election is not required to file a statement
- 29 under this subsection. The statement may be submitted for filing beginning on the
- 30 thirty-ninth day before the election. The statement must include:

- 1           a. For each aggregated contribution from a contributor which totals in excess of two  
2           hundred fifty dollars received during the reporting period:
  - 3           (1) The name and mailing address of the contributor;
  - 4           (2) The total amount of the contribution; and
  - 5           (3) The date the last contributed amount was received;
- 6           b. The total of all aggregated contributions from contributors which total in excess of  
7           two hundred fifty dollars during the reporting period;
- 8           c. The total of all contributions received from contributors that contributed two  
9           hundred fifty dollars or less each during the reporting period; and
- 10          d. For a statewide candidate, a candidate committee formed on behalf of a  
11          statewide candidate, and a statewide multicandidate committee, the balance of  
12          the campaign fund on the fortieth day before the election and the balance of the  
13          campaign fund on January first.
- 14          2. Beginning on the thirty-ninth day before the election through the day before the  
15          election, a person that files a statement under subsection 1 must file a supplemental  
16          statement within forty-eight hours of the start of the day following the receipt of a  
17          contribution or aggregate contribution from a contributor which is in excess of five  
18          hundred dollars. The statement must include:
  - 19          a. The name and mailing address of the contributor;
  - 20          b. The total amount of the contribution received during the reporting period; and
  - 21          c. The date the last contributed amount was received.
- 22          3. Prior to February first, a candidate or candidate committee, a multicandidate political  
23          committee, or a nonstatewide political party soliciting or accepting contributions shall  
24          file a campaign disclosure statement that includes all contributions received and  
25          expenditures, by expenditure category, made from January first through December  
26          thirty-first of the previous year. The statement may be submitted for filing beginning on  
27          January first. The statement must include:
  - 28          a. For a statewide candidate, a candidate committee formed on behalf of a  
29          statewide candidate, and a statewide multicandidate committee, the balance of  
30          the campaign fund on January first and on December thirty-first;

- 1           b. For each aggregated contribution from a contributor which totals in excess of two  
2           hundred fifty dollars received during the reporting period:
- 3           (1) The name and mailing address of the contributor;
- 4           (2) The total amount of the contribution; and
- 5           (3) The date the last contributed amount was received;
- 6           c. The total of all aggregated contributions from contributors which total in excess of  
7           two hundred fifty dollars during the reporting period;
- 8           d. The total of all contributions received from contributors that contributed two  
9           hundred fifty dollars or less each during the reporting period; and
- 10          e. The total of all other expenditures made during the previous year, separated into  
11          expenditure categories.
- 12          4. A person required to file a statement under this section, other than a candidate for  
13          judicial office, county office, city office, or school district office, or a candidate  
14          committee for a candidate exempted under this subsection, shall report each  
15          aggregated contribution from a contributor which totals five thousand dollars or more  
16          during the reporting period. For these contributions from individuals, the statement  
17          must include the contributor's occupation, employer, and the employer's principal  
18          place of business.
- 19          5. A candidate for city office in a city with a population under five thousand and a  
20          candidate committee for the candidate are exempt from this section. A candidate for  
21          school district office in a school district with a fall enrollment of fewer than  
22          one thousand students and a candidate committee for the candidate are exempt from  
23          this section.
- 24          6. A candidate for county office and a candidate committee for a candidate for county  
25          office shall file statements under this chapter with the county auditor. A candidate for  
26          city office who is required to file a statement under this chapter and a candidate  
27          committee for such a candidate shall file statements with the city auditor. A candidate  
28          for school district office who is required to file a statement under this chapter and a  
29          candidate committee for such a candidate shall file statements with the school district  
30          business manager. Any other person required to file a statement under this section  
31          shall file the statement with the secretary of state.

1           7.    The filing officer shall assess and collect fees for any reports filed after the filing  
2            deadline.

3           8.    To ensure accurate reporting and avoid commingling of campaign and personal funds,  
4            candidates shall use dedicated campaign accounts that are separate from any  
5            personal accounts.

6           **SECTION 4. AMENDMENT.** Section 16.1-08.1-02.4 of the North Dakota Century Code is  
7            amended and reenacted as follows:

8            **16.1-08.1-02.4. Pre-election, supplemental, and year-end campaign disclosure**  
9            **statement requirements for statewide political parties and certain political committees.**

10          1.    Prior to the thirty-first day before a primary, general, or special election, a statewide  
11            political party or a political committee not required to file statements under section  
12            16.1-08.1-02.3 which is soliciting or accepting contributions shall file a campaign  
13            disclosure statement that includes all contributions received and expenditures made  
14            from January first through the fortieth day before the election. A political party that has  
15            not endorsed or nominated a candidate in an election is not required to file a  
16            statement under this subsection. A statement required to be filed under this subsection  
17            may be submitted for filing beginning on the thirty-ninth day before the election. The  
18            statement must include:

- 19            a.    For each aggregated contribution from a contributor which totals in excess of two  
20            hundred fifty dollars received during the reporting period:
- 21                   (1)   The name and mailing address of the contributor;
  - 22                   (2)   The total amount of the contribution; and
  - 23                   (3)   The date the last contributed amount was received;
- 24            b.    The total of all aggregated contributions from contributors which total in excess of  
25            two hundred fifty dollars during the reporting period;
- 26            c.    The total of all contributions received from contributors that contributed two  
27            hundred fifty dollars or less each during the reporting period;
- 28            d.    For each recipient of an expenditure from campaign funds in excess of two  
29            hundred fifty dollars in the aggregate:
- 30                   (1)   The name and mailing address of the recipient;
  - 31                   (2)   The total amount of the expenditure made to the recipient; and

- 1                   (3) The date the last expended amount was made to the recipient;
- 2                   e. The aggregate total of all expenditures from campaign funds in excess of two
- 3                   hundred fifty dollars;
- 4                   f. The aggregate total of all expenditures from campaign funds of two hundred fifty
- 5                   dollars or less; and
- 6                   g. The balance of the campaign fund on the fortieth day before the election and
- 7                   balance of the campaign fund on January first.
- 8                   2. Beginning on the thirty-ninth day before the election through the day before the
- 9                   election, a person that files a statement under subsection 1 must file a supplemental
- 10                  statement within forty-eight hours of the start of the day following the receipt of a
- 11                  contribution or aggregate contribution from a contributor which is in excess of five
- 12                  hundred dollars. The statement must include:
- 13                  a. The name and mailing address of the contributor;
- 14                  b. The total amount of the contribution received during the reporting period; and
- 15                  c. The date the last contributed amount was received.
- 16                  3. Prior to February first, a statewide political party or a political committee that is not
- 17                  required to file a statement under section 16.1-08.1-2.3 shall file a campaign
- 18                  disclosure statement that includes all contributions received and expenditures made
- 19                  from January first through December thirty-first of the previous year. The statement
- 20                  may be submitted for filing beginning on January first. The statement must include:
- 21                  a. For each aggregated contribution from a contributor which totals in excess of two
- 22                  hundred fifty dollars received during the reporting period:
- 23                      (1) The name and mailing address of the contributor;
- 24                      (2) The total amount of the contribution; and
- 25                      (3) The date the last contributed amount was received;
- 26                  b. The total of all aggregated contributions from contributors which total in excess of
- 27                  two hundred fifty dollars during the reporting period;
- 28                  c. The total of all contributions received from contributors that contributed two
- 29                  hundred fifty dollars or less each during the reporting period;
- 30                  d. For each recipient of an expenditure from campaign funds in excess of two
- 31                  hundred fifty dollars in the aggregate:

- 1 (1) The name and mailing address of the recipient;
- 2 (2) The total amount of the expenditure made to the recipient; and
- 3 (3) The date the last expended amount was made to the recipient;
- 4 e. The aggregate total of all expenditures from campaign funds in excess of two
- 5 hundred fifty dollars;
- 6 f. The aggregate total of all expenditures from campaign funds of two hundred fifty
- 7 dollars or less; and
- 8 g. The balance of the campaign fund on January first and December thirty-first.
- 9 4. A person required to file a statement under this section shall disclose each aggregated
- 10 contribution from a contributor which totals five thousand dollars or more during the
- 11 reporting period. For these contributions from individuals, the statement must include
- 12 the contributor's occupation, employer, and the employer's principal place of business.
- 13 5. Statements under this section must be filed with the secretary of state.
- 14 6. The secretary of state shall assess and collect fees for any reports filed after the filing
- 15 deadline.

16 **SECTION 5. AMENDMENT.** Subsection 3 of section 16.1-08.1-03.2 of the North Dakota  
17 Century Code is amended and reenacted as follows:

- 18 3. A political committee that organizes and registers according to federal law and makes
- 19 an independent expenditure or makes a disbursement in excess of two hundred fifty
- 20 dollars to a nonfederal candidate seeking public office, a political party, or political
- 21 committee in this state is not required to register as a political committee according to
- 22 this section if the political committee reports according to section 16.1-08.1-03.7.

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

25 **16.1-08.1-03.7. Political committees that organize and register according to federal**  
26 **law that make independent expenditures or disbursements to nonfederal candidates,**  
27 **political parties, and political committees.**

28 A political committee that organizes and registers according to federal law and makes an  
29 independent expenditure or makes a disbursement in excess of two hundred fifty dollars to a  
30 nonfederal candidate seeking public office or to a political party or political committee in this  
31 state shall file a copy of that portion of the committee's federal report detailing the independent

1 expenditure or the disbursement made. The political committee shall file a copy of the  
2 committee's federal report, and supplementary information as necessary under this section, with  
3 the secretary of state at the time of filing the report with the applicable federal agency. The  
4 report and supplementary information must include:

- 5 1. The name, mailing address, and treasurer of the political committee;
- 6 2. The recipient's name and mailing address;
- 7 3. The date and amount of the independent expenditure or disbursement; and
- 8 4. The ultimate and true source of funds listed by contributor and subcontributor of any  
9 amount over two hundred fifty dollars collected or used to make the independent  
10 expenditure or disbursement including:
  - 11 a. The name and address of the contributor;
  - 12 b. The total amount of the contribution; and
  - 13 c. The date the last contribution was received.

14 **SECTION 7. AMENDMENT.** Section 16.1-08.1-06.2 of the North Dakota Century Code is  
15 amended and reenacted as follows:

16 **16.1-08.1-06.2. Secretary of state to provide instructions, make adjustments for**  
17 **inflation, and conduct training.**

- 18 1. The secretary of state shall provide instructions and conduct training for the purpose of  
19 promoting uniform application of campaign finance and disclosure requirements and  
20 the uniform filing of statements, registrations, or reports according to this chapter.
- 21 2. The secretary ~~also of state shall determine adjustments~~ adjust for inflation of the  
22 reporting thresholds in this chapter by one hundred dollars once every ten years from  
23 the last calendar year of adjustment and instruct persons submitting reports under this  
24 chapter of the adjustments. ~~On~~ The secretary of state shall make the adjustment by  
25 January first of each adjustment year, ~~the secretary shall determine whether the~~  
26 ~~accumulated change in the consumer price index for all urban consumers (all items,~~  
27 ~~United States city average) , as applied to each reporting threshold in this chapter,~~  
28 ~~would result in an adjustment of at least ten dollars of the threshold in effect on that~~  
29 ~~date. If so, the secretary shall deem the reporting threshold adjusted by ten dollars.~~

30 **SECTION 8. AMENDMENT.** Subsection 11 of section 54-66-01 of the North Dakota Century  
31 Code is amended and reenacted as follows:



1        11. "Ultimate and true source" means the person that knowingly contributed over two  
2            hundred fifty dollars solely to lobby or influence state government action.

3        **SECTION 9. AMENDMENT.** Section 54-66-02 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5        **54-66-02. Disclosure of ultimate and true source of funds.**

- 6        1. A lobbyist who expends an amount greater than two hundred fifty dollars to lobby shall  
7            file with the secretary of state a report that includes the known ultimate and true  
8            source of funds for the expenditure. The report must be filed with the lobbyist  
9            expenditure report required under subsection 2 of section 54-05.1-03.
- 10       2. A person that expends an amount greater than two hundred fifty dollars, not including  
11           the individual's own travel expenses and membership dues, to influence state  
12           government action shall file with the secretary of state a report including the known  
13           ultimate and true source of funds for the expenditure. A report under this subsection  
14           must be filed on or before the August first following the date of the expenditure. The  
15           secretary of state shall provide a form for reports under this subsection and make the  
16           form electronically accessible to the public. The secretary of state also shall charge  
17           and collect fees for late filing of the reports as follows:
- 18           a. Twenty-five dollars for a report filed within sixty days after the deadline; or  
19           b. Fifty dollars for a report filed more than sixty days after the deadline.
- 20       3. The secretary of state shall compile the reports required under this section and make  
21           the reports electronically accessible to the public.
- 22       4. A resident taxpayer may commence an action in a district court of this state against a  
23           person required to comply with this section to compel compliance if all other  
24           enforcement measures under this chapter have been exhausted and the taxpayer  
25           reasonably believes the person has failed to comply with this section.
- 26       5. The secretary of state shall determine adjustments for inflation of the reporting  
27           thresholds in this section and instruct persons submitting reports under this section of  
28           the adjustments. On January first of each year, the secretary shall determine whether  
29           the accumulated change in the consumer price index for all urban consumers (all  
30           items, United States city average), as applied to each reporting threshold in this  
31           section, would result in an adjustment of at least ten dollars of the threshold in effect

- 1 on that date. If so, the secretary of state shall deem the reporting threshold adjusted
- 2 by ten dollars.