

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2303

2005 SENATE GOVERNMENT AND VETERANS AFFAIRS

SB 2303

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2303

Senate Government and Veterans Affairs

☐ Conference Committee

January
Hearing Date 28, 2005

Tape Number	Side A	Side B	Meter #
1	x		1,183-6208
		x	0-540
Committee Clerk Signature <i>Diane Davis</i>			

Chairman Krebsbach opens hearing on SB2303

(meter #1183)

Senator April Fairfield - See written handouts- Senator Fairfield told how heavily we rely on lobbyists and the most precious commodity elected officials have is public confidence. She said this bill is not a response to anything done wrong but a testimony to what we do right in ND. She briefly went through the bill. She said that disclosing information makes it more acceptable. If travel expenses are paid for a legislator it must be reported according to this bill. A gift not reported is not allowed. She then went over the amendments.

(meter #2256)

Senator Nelson - Asked if this would include any legislative conferences that the state doesn't pay.

Senator Fairfield - Stated yes it would include all travel not paid by the state.

Senator Syverson - Asked what precipitated this bill.

Senator Fairfield - No event precipitated this. Public policies are of an interest to her and the democratic process. Campaign finance is not readily addressed and what happens once you have won the election. She believes in greater disclosure laws.

Senator Lee - Stated she doesn't believe there is a problem now. She does have a problem with getting approval for every trip.

Senator Fairfield - Would like disclosure.

Senator Lee - Thought that the reporting should go on the legislators report than requiring that the legislative council approve it.

Senator Fairfield - See no problem with that. Point is not who does the reporting but that it is reported.

Senator Nelson - Mentioned that anyone who lives in a border city has the problem of traveling out of state when its just a neighboring city like Moorhead.

Al Jaeger - Sec of State - See written testimony- Concerned about procedure.

Senator Nelson - Asked if lobbyists also report.

Jaeger - Once a year. Political Action Committees have to report as well as legislators.

Senator Krebsbach - Asked if the \$25 limit also pertains to travel.

Jaeger - Yes, in the lobbyist detailed report. He is also concerned on impact on staff and resources.

Page 3

Senate Government and Veterans Affairs Committee

Bill/Resolution Number **SB 2303**

Hearing Date January 28, 2005

Rob St. Aubyn - Blue Cross Blue Shield - He too believes this bill is a solution in search of a problem. He does not know of any abuse.

(meter #6208 end of tape 2 side A)

(side B tape 2)

Rob St. Albyn -Continued from side A- Has real concerns about this especially since there is no abuse in the system.

Senator Nelson - Pointed out several sessions ago they were allowed to have the option to pay for dinner.

Senator Krebsbach - Stated that was before it was raised to \$50.

Jaeger - Stated it is a provision in law that you can pay for it.

Closed hearing on SB2303

(meter #540, side B, tape 2)

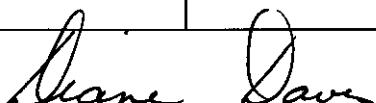
2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2303

Senate Government and Veterans Affairs

☐ Conference Committee

Hearing Date February 11, 2005

Tape Number	Side A	Side B	Meter #
1	x		1211-6220
1		x	0-2480
Committee Clerk Signature 			

Chairman Krebsbach opens committee work on 2303

Relating to restricting the acceptance of gifts by the legislative assembly.

John Bjornson - Legislative Council - Look at the amendments they have prepared. He then explained line by line.

(meter 2461)

Senator Syverson - Had question on amendment, also what are the or are there any penalties.

Bjornson - Stated yes there is, code states it can be a misdemeanor.

Senator Nelson - Asked if this includes political contributions.

Bjornson - no

Al Jaeger - Secretary of State - Discussed amendments and his red flags, such as price of copies should be the same for all. He said he has some trouble with the way some of amendments read.

Senator Krebsbach - Asked to have some language cleared up in section 5.

Sec. Jaeger - Discussed the language, also said that we register individuals not companies.

He discussed what would some people would report, should they report every time they bump into someone. Lobbying in ND is completely different than in other states. He is unsure how he would audit some of this.

Senator Krebsbach - Thinks the intent was meant for those who are paid to lobby for organizations.

Senator Brown - Asked of what value some of this information would be.

Senator Kresbach - Asked what the registration fee is.

Sec. Jaeger - Said \$20, has not been raised for some time. Would like to see \$25 or \$30 to recoup their costs.

Senator Krebsbach - Asked about language in the registration and the annual report.

Bjornson - Said yes it is on both.

Discussion of group was about the proposed amendments. Sec of State Jaeger did not agree with a lot of the way the language reads.

(end of side A, meter #6220)

(side B, tape 1)

Sec. Jaeger - Said he would come back to committee when he looks over the amendments more.

Senator Krebsbach - Still has concerns on the audit part of bill.

Senator Lee - Said we need to do what is proper for us and not fix what's not broken.

(meter #301)

Recess

Page 3
Senate Government and Veterans Affairs
Bill/Resolution Number **SB 2303**
Hearing Date February 11, 2005

Reconvene 2303

(meter #330 side B)

Discussion continues over the proposed amendment. Sec. Jaeger has a lot of concerns on what is written here. His office tries to be very fair to all so if its one way over here it must be the same over here. He also noted the standard has to be the same all around.

(meter #1480)

Senator Lee moves do pass on amendment (revised)

Senator Brown - seconded

Senator Nelson - discussed Senator Fairfield's amendment.

Senator Nelson moved for adoption of amendment .0102

Senator Lee - seconded

Did not pass

Senator Lee moved for a do pass on amended bill

Senator Brown seconded

Do pass

Senator Lee will carry

(Meter # 2480)

FISCAL NOTE

Requested by Legislative Council
02/15/2005

Amendment to: SB 2303

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$4,750	\$0	\$4,750	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

In Section 1, the Annual Lobbyist Registration fee is raised from \$20 to \$25. The fee was last changed in 1993, when it was raised from \$10 to \$20.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

See Narrative

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Expenditures will be handled within current budget

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

None extra needed

Name:	Al Jaeger	Agency:	Secretary of State
Phone Number:	328-2900	Date Prepared:	02/16/2005

PROPOSED AMENDMENTS TO SENATE BILL NO. 2303

Page 2, line 13, remove the overstrike over "~~August~~" and remove "the"

Page 2, line 14, remove "day" and replace "calendar quarter" with "year"

Page 2, line 15, after the first "report" insert "for that calendar year. In addition, by April
fifteenth of each odd-numbered year, each lobbyist shall file with the secretary of state a
detailed report for the period between August first of the previous year and April first of
the current year."

Page 3, line 24, remove "quarterly"

Page 3, line 28, remove "quarterly"

Renumber accordingly

PROPOSED AMENDMENTS TO HOUSE BILL NO. 2303

Page 1, line 1, remove "to create and enact a new section to chapter 54-05.1 of the North Dakota"

Page 1, remove line 2

Page 1, line 3, remove "assembly;"; replace "section" with "sections", and after "54-05.1-03" insert "and 54-05.1-04"

Page 1, line 4, after "lobbyist" insert "registration and" and after "requirements" insert "and the authority of the secretary of state"

Page 1, line 10, after "1." insert "a."

Page 1, after line 20, insert:

"b."

Page 1, line 21, overstrike "the" and insert immediately thereafter ":

(1) The" and overstrike the comma

Page 1, line 22, overstrike the first "the" and insert immediately thereafter ":

(2) The"

Page 1, line 23, overstrike "all persons, corporations, limited liability companies,"

Page 1, line 24, overstrike "associations, groups, or organizations" and insert immediately thereafter "any person"

Page 2, line 1, after the first comma insert "and" and overstrike ", and" and insert immediately thereafter ":

(3) If the registrant is compensated for lobbying, the method of determining and computing the compensation of the registrant and"

Page 2, line 2, after the second "paid" insert " ; and

(4) The subject matter in which the registrant will engage in lobbying, including the bill number of any legislation on which the lobbyist expects to lobby, if known" and after the period insert:

"c."

Page 2, line 4, after "registered" insert:

"d."

Page 2, line 9, after the period insert:

"e."

Page 2, line 13, remove the overstrike over "~~August~~" and remove "~~the~~"

Page 2, line 14, remove the overstrike over "~~following the expiration of the registration period~~" and remove "~~day of each calendar quarter~~"

Page 2, line 16, remove the overstrike over "~~fifty~~", remove "~~twenty-five~~", and remove the overstrike over "~~on any single~~"

Page 2, line 17, remove the overstrike over "~~occasion~~"

Page 2, line 18, after "individual" insert ", including the spouse or other family member of a member of the legislative assembly or the governor."

Page 2, line 19, after the period insert "The report must include a list of each legislative bill or proposal on which the registrant engaged in lobbying."

Page 3, line 2, remove the overstrike over "~~October first~~" and remove "the end of the calendar quarter after the report"

Page 3, line 3, remove "was due"

Page 3, line 10, after the period insert "The secretary of state may charge a fee of fifteen cents per page for copying of records filed with the secretary of state under this chapter."

Page 3, replace lines 11 through 31 with:

"SECTION 2. AMENDMENT. Section 54-05.1-04 of the North Dakota Century Code is amended and reenacted as follows:

54-05.1-04. Powers of secretary of state - Granting and revoking of certificates - Referrals and reports to the attorney general.

1. ~~It is the duty and responsibility of the~~ The secretary of state shall:
 - a. ~~To grant~~ Grant a certificate of registration and ~~to design and furnish a distinctive lobbyist identification badge to any person~~ individual registering under section 54-05.1-03 who supplies the required information ~~therein required.~~
 - b. ~~To revoke~~ Revoke the certificate of registration of any ~~person~~ individual who has been convicted of violating any ~~of the provisions~~ provision of this chapter.
 - c. ~~To refer~~ Refer on the secretary of state's own motion or on the verified complaint of any ~~member of the legislative assembly or on the verified complaint of any state official, board, commission, department, or agency, or on the verified complaint of any other person,~~ to the attorney general for investigation, the activities of any ~~person~~ individual who the secretary of state has reason to believe has been acting as a lobbyist and who may be in violation of ~~the requirements~~ of this chapter.

- d. ~~To make~~ Make available upon request of any citizen expenditures by categories reported by registered lobbyists to have been expended on each individual in carrying out that ~~person's~~ registrant's work.
 - e. ~~To supply~~ Supply a current list of registered lobbyists for each legislator upon request.
2. ~~In addition, the~~ The secretary of state may revoke the certificate of registration issued ~~pursuant to~~ under this chapter for failure to file the reports required by this chapter when due, but no certificate may be revoked if, ~~prior to~~ before the last day for filing ~~such~~ the reports, the secretary of state has been informed in writing of extenuating circumstances justifying ~~such~~ the failure.
3. The secretary of state shall compile and make available to the public a report of the total amount of expenditures reported by registrants.
4. The secretary of state may establish procedures for registration of lobbyists and filing of lobbyist's expenditure reports through the internet or other electric means, and may make lobbyist expenditure reports available on the secretary of state's internet web site. The secretary of state may hold an annual training session to provide information regarding electronic registration and reporting.
5. The secretary of state may audit or arrange for the audit of any report required to be filed under this chapter. If the audit reveals a violation of this chapter, the cost of the audit must be paid by the individual audited."

Page 4, remove lines 1 through 12

Renumber accordingly

PROPOSED AMENDMENTS TO SENATE BILL NO. 2303

Page 1, line 1, remove "to create and enact a new section to chapter 54-05.1 of the North Dakota"

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Renumber accordingly

Date: 2/11/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2303

Senate Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken No Pass on the amendment

Motion Made By Senator Nelson Seconded By Senator Brown

Senators	Yes	No	Senators	Yes	No
Karen K. Krebsbach, Chairman	X		Carolyn Nelson	X	
Richard L. Brown, Vice Chairman	X				
Judy Lee	X				
John O. Syverson	X				

Total (Yes) 5 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

January 28, 2005

PROPOSED AMENDMENTS TO SENATE BILL NO. 2303

Page 1, line 1, after "chapter" insert "54-03 and a new section to chapter"

Page 1, line 2, after "restricting" insert "lobbying activities by former legislators and"

Page 1, after line 5, insert:

"SECTION 1. A new section to chapter 54-03 of the North Dakota Century Code is created and enacted as follows:

Restrictions on certain activities by members of the legislative assembly -
Penalty. An individual who serves as a member of the legislative assembly may not act as a lobbyist during the time the individual is serving as a member of the legislative assembly and within a two-year period after termination of service as a member of the legislative assembly. An individual who willfully violates this section is guilty of a class B misdemeanor.

Renumber accordingly

Date: 4/1/05
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2303

Senate **Government and Veterans Affairs** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken adoption
move for of amendment 0102

Motion Made By Sen Nelson Seconded By Sen Lee

Senators	Yes	No	Senators	Yes	No
Karen K. Krebsbach, Chairman		X	Carolyn Nelson	X	
Richard L. Brown, Vice Chairman		X			
Judy Lee		X			
John O. Syverson		X			

Total (Yes) 0 No 4

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2/11/05
Roll Call Vote #: 3

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2303

Senate Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass on amended bill

Motion Made By Senator Lee Seconded By Senator Brown

Senators	Yes	No	Senators	Yes	No
Karen K. Krebsbach, Chairman	X		Carolyn Nelson	X	
Richard L. Brown, Vice Chairman	X				
Judy Lee	X				
John O. Syverson	X				

Total (Yes) 5 No 0

Absent 0

Floor Assignment Senator Lee

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2303: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2303 was placed on the Sixth order on the calendar.

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Page 1, after line 20, insert:

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Page 2, line 2, after the period insert:

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Page 2, line 4, after "~~registered~~" insert:

"d."

Page 2, line 9, after the period insert:

"e."

Page 2, line 10, overstrike "twenty" and insert immediately thereafter "twenty-five"

Page 2, line 13, remove the overstrike over "~~August~~" and remove "the"

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Page 2, line 16, remove the overstrike over "~~fifty~~", remove "twenty-five", and remove the overstrike over "~~on any single~~"

Page 2, line 17, remove the overstrike over "~~occasion~~"

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Page 3, line 3, remove "was due"

Page 3, replace lines 11 through 31 with:

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 - d. ~~To make~~ Make available upon request of any citizen expenditures by categories reported by registered lobbyists to have been expended on each individual in carrying out ~~that person's~~ registrant's work.
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4. The secretary of state may establish procedures for registration of lobbyists and filing of lobbyist expenditure reports through the internet or other electronic means, and may make lobbyist expenditure reports available on the secretary of state's internet web site."

Page 4, remove lines 1 through 12

Renumber accordingly

2005 HOUSE GOVERNMENT AND VETERANS AFFAIRS

SB 2303

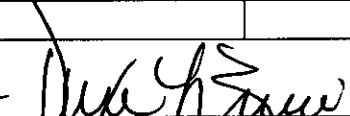
2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2303

House Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date 3/17/05

Tape Number	Side A	Side B	Meter #
1	x		0-29.8
Committee Clerk Signature - 			

Minutes: SB 2303 Relating to lobbyist reporting requirements and to provide a penalty.

Chairman Haas: I would like to call the meeting to order of the House Government and Veterans Affairs Committee to order and ask the clerk to take the roll, please.

13 members present, 1 absent.

Chairman Haas: Thank you and the chair declares that we do have a quorum. At this time we will open the hearing on SB 2039 and ask the clerk to read the title. Welcome Senator Fairfield.

Senator April Fairfield-District 29-Introducing the bill.

Al Jaeger-Secretary of State-Testimony Attached-

Chairman Haas: If the lobbyist doesn't come in an register in July, if they wait until late November or December, you don't prorate the fee do you?

Secretary of State: The fee is not prorated at all. Each time a registration is added there is work related to that. What the law says that there is a base fee and each time they add an organization it is 5 dollars.

Rep. Klemin: One is on the fee, I understood you to say that the Senate GVA committee

increased the fee and it was not made at your request?

Secretary of State: It wasn't, I hadn't specifically asked that it be raised, but they decided that it would be good to raise and we do in the process give them a name badge that they may or may not wear, but there are different things that we do. Certainly the amount of work that is with it, the extra five dollars represents the processing.

Rep. Klemin: Is there a requirement for a fiscal note when we have increase like this in a bill?

Secretary of State: Usually the legislative council lets me know.

Rep. Klemin: At the end of this bill, page 4, the last paragraph about the Internet and electronic filing, I guess, does it say it is in the statute?

Secretary of State: I think that was kind of added in reference to the changes the committee decided to make to the bill.

Chairman Haas: The law didn't say you had to do this with pencil and paper, if the job is described you simply have to implement it, which ever way is suitable.

Rep. Froseth: Page 2, line 20, report any gift of 50 dollars or more. Revoking the license, I would like to have you give us some information on how often that happens and on the back page is that annual report that has to be filed and I think that you should have amended that it has to be reported on all the daily newspapers electronically.

Secretary of State: The last part, you will have to decide whether you want it published in all the papers or not. The ceiling at one point was 25 dollars and I believe it was two sessions ago, it was increased to 50 dollars and so it has been that long since that ceiling has come up. I think you have to keep in mind that the 50 dollar level, we really don't have that many people that are

reporting those, in other words they are able to do a lot of things for less than 50 dollars. The revocation, that only comes into play when we are at the end of the cycle and the years ended and they are supposed to file a report and they have already registered with us, but they missed the August 1st deadline and then they missed the second deadline and so what the law says that after you missed the second deadline and you are already registered, we just automatically lift your registration. You have registered, but you have never filed your report and so that is the only time that comes in. If you didn't file your report it was a criminal infraction. You can imagine if I took a handful of those down to the state attorney and they have a murder and a robbery on their desk, you can about imagine a lot doesn't get done with that in terms of prosecution and so essentially what the fine does, is that we find that people respond rather well to financial incentives.

Rep. Froseth: This is annual report that they file.

Secretary of State: Yes it is.

Chairman Haas: Are there further questions for Secretary Jaeger? If not thank you. Is there any additional testimony in favor of SB 2303. Is there any opposing testimony to SB 2303, if not we will close the hearing on SB 2303.

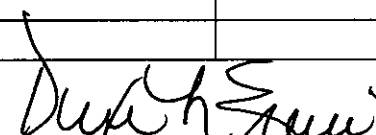
2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2303

House Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date 3/17/05

Tape Number	Side A	Side B	Meter #
3	x		3.2-13.0
Committee Clerk Signature 			

Minutes: Relating to lobbyist reporting requirements and to provide a penalty.

Discussion and voting.

Chairman Haas: Committee members we will look as SB 2303. Lobbyist registration, we are in the discussion stage, what are your wishes.

Rep. Grande: Mr. Chairman I would like to offer an amendment, page 2, line 20, strike 50 and put in 75 dollars.

Chairman Haas: Would you like to explain that Rep. Grande?

Rep. Grande: We have been talking about different increases for different reasons, but the cost of living increases off of the meals, as you go around Bismarck, the cost of meals are about 63 dollars for a meal. Next session we are looking at about 75 dollar dining cost, for a number of restaurants, I think that would be a nice dollar amount to utilize and it would carry us through a number of sessions.

Chairman Haas: Is that a motion to move the amendment?

Rep. Grande: That is a motion to move the amendment.

Chairman Haas: Is there a second, seconded by Rep. Kasper. Is there any further discussion on the amendment.

Rep. Potter: I must say that I have not paid 75 dollars for a meal since I have been in Bismarck, this session. I have eaten out a lot of meals this session. I don't know where I would go to spend 75 dollars for a meal.

Rep. Froseth: I don't see this not only as a meal, I think that 75 dollars is reasonable. I don't think you could pay the green fees at Bully Puplit for 50 dollars.

Rep. Conrad: I think the public would like to know that, that 50 dollars is fine and if it goes beyond 50, I think they would like to know that when more then 50 was spent. I think you can buy a nice dinner for 50 dollars. This for the public, this is not for the lobbyists and us, this for the public. I think the public would like to know if they are spending more then 50 dollars on us.

Rep. Froseth: I think in the 25 dollars increase, there wouldn't be any change in what they have to report next year, because that is how much prices have gone up.

Rep. Galvin: I agree with Rep. Potter, in today's market 75 dollars is a little high, but I think it also encompasses a period of time in the future, so we don't have to look at this issue again in a few years.

Chairman Haas: Any further discussion, if not, all in favor of the amendment signify by saying I, oppose say no, amendment is carried. What are your wishes on the bill, Rep. Grande moves a DO PASS AS AMENDED, seconded by Rep. Kasper. Is there any further discussion, if not we will have the clerk take the roll.

VOTE: YES 12 NO 2 ABSENT 0 DO PASS AS AMENDED ON SB 2303

Page 3

House Government and Veterans Affairs Committee

Bill/Resolution Number SBA 2303

Hearing Date 3/17/05

REP. KASPER WILL CARRY THE BILL.

Date: 3/17/05
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB2363

House House Government and Veterans Affairs

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken DO PASS As Amended

Motion Made By Rep. Grande Seconded By Rep. Kasper

Representatives	Yes	No	Representatives	Yes	No
Chairman C.B. Haas	✓		Rep. Bill Amerman	✓	
Bette B. Grande - Vice Chairman	✓		Rep. Kari Conrad	✓	
Rep. Randy Boehning	✓		Rep. Louise Potter		✓
Rep. Glen Froseth	✓		Rep. Sally M. Sandvig		✓
Rep. Pat Galvin	✓				
Rep. Stacey Horter	✓				
Rep. Jim Kasper	✓				
Rep. Lawrence R. Klemin	✓				
Rep. Lisa Meier	✓				
Rep. Margaret Sitte	✓				

Total (Yes) 12 No 2

Absent 0

Floor Assignment Rep. Kasper

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2303, as engrossed: Government and Veterans Affairs Committee (Rep. Haas, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2303 was placed on the Sixth order on the calendar.

Page 2, line 20, overstrike "fifty" and insert immediately thereafter "seventy-five"

Renumber accordingly

2005 SENATE GOVERNMENT AND VETERANS AFFAIRS

CONFERENCE COMMITTEE

SB 2303

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2303

Senate Government and Veterans Affairs Committee

☒ Conference Committee

Hearing Date April 5, 2005

Tape Number	Side A	Side B	Meter #
1	X		2,640-4800
Committee Clerk Signature <i>Jerry Haas</i>			

Minutes: **Chairman Brown** called the conference committee to order to discuss SB 2303. All members were present: **Senators Judy Lee and Carolyn Nelson, Representatives Haas, Grande, and Potter.**

Representative Haas- It is becoming increasingly difficult for lobbyists to adhere to the \$50 limit on taking legislators out for dinner, etc. Our committee thought the amount should be raised to \$75.

Representative Grande- A full reporting technique is required, most meals are now around \$65, and that figure will more than likely go up in the future.

Representative Haas- If we feel like there is a huge threat to the democratic process and an unnecessary influence being exerted because lobbyists take legislators out to dinner, we would feel differently. However, the lobbyists help us learn more of the details with the various issues out there. Our committee didn't think it was appropriate to put an undue reporting requirement on lobbyists.

Representative Potter- She feels that \$75 was too high in the first place, and disagreed with the House committee's view.

Senator Brown- Our committee on the Senate side, felt very strongly that \$50 was an adequate limit to spend on legislators.

Senator Judy Lee- An increase to \$75 is too much in my opinion.

Senator Nelson- The prime sponsor of the legislation is not in favor of tripling the amount that was in the original bill.

Representative Haas- The question we need to ask ourselves is: will there be a difference that an influence a lobbyist would have on a legislator by increasing the amount to \$75?

Representative Grande- I'm planning our end of the year party, and it was very easily \$55 per person. The average is currently \$63 per person. I'm wondering what the amount will be two years from now?

Senator Nelson- Is it true that only six lobbyists have reported exceptional expenses?

Secretary of State Al Jaeger appeared before the committee- Out of the 600 reports that my office does during the legislative cycle, there are only a dozen that file reports on exceeding the amount.

Senator Brown- I have a report that shows most states go by a similar system that we do, when it comes to reporting requirements.

Representative Haas- How would \$60 for a limit sound for a reasonable compromise?

Interacting with lobbyists is a normal part of the way on how we operate as legislators.

Page 3

Senate Government and Veterans Affairs Committee

Bill/Resolution Number SB 2303

Hearing Date April 5, 2005

Action taken:

Representative Haas moved that the House recede from its amendment, and adopt an amendment striking \$75, and replacing it with \$60 on page 2, line 20. Seconded by Senator Lee.

Discussion:

Representative Haas- I would not support this amendment if I felt it would interfere with the legitimacy on how we do our work as legislators. I don't see that taking place with this amendment.

The vote was 5-1-0, the motion passes. Senator Judy Lee is the carrier of the bill.

Secretary of State Jaeger informed the committee that since there is a fee change in this bill, it will go into law July 1.

Chairman Brown closed the conference committee meeting on SB 2303.

Date: 4-5-03
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2303

Senate Government and Veterans Affairs

Committee

☒ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Have recede from its amendments to ~~Senate~~ amend w/ 560

Motion Made By Haas Seconded By J. Lee

Senators	Yes	No	Representatives	Yes	No
Richard Brown, Chairman	X		C.B. Haas	X	
Judy Lee	X		Bette Grande	X	
Carolyn Nelson		X	Louise Potter	X	

Total (Yes) 5 No 1

Absent 0

Floor Assignment ~~Brown~~ J. Lee

If the vote is on an amendment, briefly indicate intent:

REPORT OF CONFERENCE COMMITTEE

SB 2303, as engrossed: Your conference committee (Sens. Brown, J. Lee, Nelson and Reps. Haas, Grande, Potter) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 928, adopt amendments as follows, and place SB 2303 on the Seventh order:

That the House recede from its amendments as printed on page 928 of the Senate Journal and page 1195 of the House Journal and that Engrossed Senate Bill No. 2303 be amended as follows:

Page 2, line 20, overstrike "fifty" and insert immediately thereafter "sixty"

Renumber accordingly

Engrossed SB 2303 was placed on the Seventh order of business on the calendar.

2005 TESTIMONY

SB 2303

ALVIN A. JAEGER
SECRETARY OF STATE

HOME PAGE www.state.nd.us/sec



PHONE (701) 328-2900
FAX (701) 328-2992
E-MAIL sos@state.nd.us

SECRETARY OF STATE
STATE OF NORTH DAKOTA
600 EAST BOULEVARD AVENUE DEPT 108
BISMARCK ND 58505-0500

January 28, 2005

TO: Senator Krebsbach, Chairman,
and Members of the Senate Government and Veterans Affairs Committee

FR: Al Jaeger, Secretary of State

RE: SB 2303 – Lobbyist Reporting Requirements

My comments related to this bill are not about the merits of the reporting but about our concerns as they relate to the procedures outlined in the bill and the possible staffing and financial impact it would have on the Secretary of State's office for carrying out those procedures.

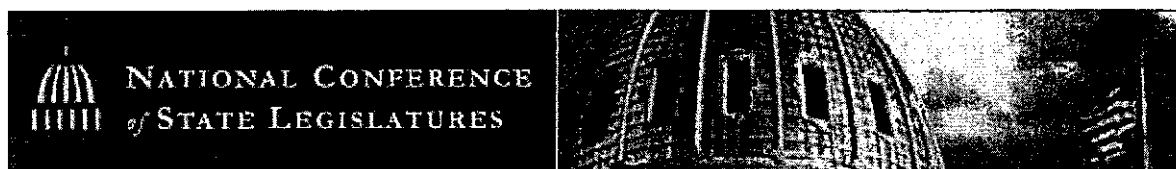
Under current law, the registration cycle for a lobbyist begins July 1 and ends on June 30 of the succeeding year regardless of when during the cycle the lobbyist registered or how many days during the registration cycle they engaged in lobbying. The quarterly reporting requirement does not appear to address those realities.

I have listed below the number of lobbyists registered during the past four registration cycles and the number that filed reports indicating they had reportable expenditures. The highest numbers of registrants, of course, represent the cycle in which the legislature meets.

July 2000/June 2001 - 629 registrants representing 974 entities with 27 reporting expenditures
July 2001/June 2002 - 269 registrants representing 419 Entities with 3 reporting expenditures
July 2002/June 2003 - 634 registrants representing 974 Entities with 18 reporting expenditures
July 2003/June 2004 - 272 registrants representing 425 Entities with 4 reporting expenditures

Our current procedure is to scan the expenditure report when it is received. It is then made available upon request. It is very seldom that someone requests to see a report. As proposed in this bill and during a legislative cycle, the agency would be required to scan an extra 1,800 to 2,000 reports, which would take time and staff, which the agency is currently not budgeted for.

If the reports are to provide disclosure to the public, it would be necessary to post them in a readily assessable format such as the agency's website. But, to do that, it would require an estimated \$20,000 to develop the application for posting the reports on the agency's website, which amount is not currently available in the agency's budget. The application would have to be one where the scanned report could be viewed because the agency does not have the staff, time, and resources to manually input the data from these numbers of reports each quarter.



Lobbyist Reporting Requirements

State	Agency	Frequency	Reportable Expenses
Alabama 36-25-19	Ethics Commission	Monthly & quarterly (a)	Gifts, hospitality, lodging, tickets valued in excess of \$250, date, identity of recipient; exact amount of loans given or promised to public officials
Alaska 24.45.051 24.45.061	Alaska Public Offices Commission	Monthly & quarterly (a)	<p>The aggregate amount of disbursements or expenditures made or incurred during the period in connection with influencing legislative or administrative action by the lobbyist, or on behalf of the lobbyist by the lobbyist's employer in these categories: food and beverages, living accommodations, travel.</p> <p>Gifts to public officials exceeding \$100 in value, date, identity of recipient. (Legislators are prohibited from accepting gifts from lobbyists, unless the gift is tickets to a charitable event.)</p> <p>Lobbyist employers must report all payments made to influence legislation, the names and addresses of recipients and the amount paid.</p>
Arizona	Secretary of State	Annually	All expenditures, names of officials/employees benefiting therefrom
Arkansas	Ethics Commission	Monthly & quarterly (a)	Gifts, food, lodging, travel in excess of \$25, date, name of recipient
California	Secretary of State	Quarterly	Meals and other gifts, compensation and contributions of \$100 or more
Colorado	Secretary of State	Monthly	Gift and entertainment expenditures of \$50 or more, name of official benefiting
Connecticut	Ethics Commission	Monthly & quarterly (a)	All expenditures, itemized if \$10 or more
Delaware	Public Integrity Commission	Quarterly	Total expenditures for food, entertainment, travel, lodging; name of recipient if value >\$50
Florida	Joint Legislative Mgmt. Committee	Semi-annually	All expenditures, by category
Georgia	Ethics Commission	Monthly & quarterly (a)	All expenditures, with description, amount, date, name & title of recipient
Hawaii	Ethics Commission	Jan., March, May	All expenditures; name of each person for whom \$25 or more was spent per day
Idaho	Secretary of	Monthly &	Categorized totals of all expenditures; date, place, amount, name if

	State	annually	exceeds \$50
Illinois	Secretary of State	Semi-annually	All expenditures; itemized & categorized if over \$100, with name of official benefiting
Indiana	Lobby Registration Commission	Semi-annually (b)	Categorized total expenditures; itemized if totals \$100/day or \$500/year, recipient's name
Iowa	Senate Secretary, Clerk of House	Monthly & quarterly (a)	Lobbying expenditures, contributions to candidates
Kansas	Governmental Ethics Commission	(c)	Total expenditures by category
Kentucky	Legislative Ethics Commission	(d)	All expenditures, with description, date and name of recipient
Louisiana	Board of Ethics	Semi-annually	Food, drink, gifts with a value exceeding \$10; recipient's name if total exceeds \$50/occasion or \$250/6-month reporting period
Maine	Commission on Governmental Ethics	Monthly in session	Total expenditures on behalf of legislators; date, amount, recipient, purpose if exceeds \$25
Maryland	Ethics Commission	Semi-annually	Total expenditures by category; meals & beverages for state officials and employees; recipient's name if total value of gifts exceeds \$75
Massachusetts	Secretary of State	Semi-annually	All expenditures; itemized with names of payees, dates if over \$35/day
Michigan	Department of State	Semi-annually	Itemized account of all expenditures; date, purpose, recipient's name if over \$100; all expenditures for food and beverage provided for public officials, date, amount, recipient
Minnesota	Camp. Fin & Public Disclosure Board	Jan., April, July	Total expenditures by category; recipient's name, amount, date if exceeds \$5/transaction
Mississippi	Secretary of State	Annually & 2/session	Food & beverage exceeding \$10/year; all other expenditures by category, itemized, with name of recipient, value, date, description
Missouri	Ethics Commission	Monthly	Total expenditures; itemized listing of recipient's name, nature & amount of each expenditure provided to a public official
Montana	Commissioner of Political Practices	Annually	List of all payments, itemized with identification of beneficiary if exceeds \$25
Nebraska	Accountability & Disclosure Commis.	Quarterly	Receipts and expenditures

Nevada	Legislative Counsel Bureau	Monthly in session	Expenditures identified by legislator and event; itemized if total expenditures exceed \$50
New Hampshire	Secretary of State	April, Aug., Dec.	Itemized statement of fees & expenditures, including who paid and to whom charged
New Jersey	Election Law Enforcement Commiss.	Annually, quarterly	Annual report = financial activity (if receipts or expenditures exceed \$2,500/year); quarterly report = lobbying activity
New Mexico	Secretary of State	After session	Total expenditures of \$75 or less, identified by category; itemized expenditures of >\$75
New York	Commission on Lobbying	Quarterly	Expenses in the aggregate; if exceeds \$75, itemized with amount, recipient, purpose
North Carolina	Secretary of State	Annually	Any expenses over \$25, by category, name of any legislator who benefited
North Dakota	Secretary of State	Annually	Each expenditure of \$25 or more
Ohio	Joint Legislative Ethics Committee	Quarterly	Each expenditure exceeding \$25; expenditures for food & beverages totaling over \$50/year per recipient
Oklahoma	Ethics Commission	Biennially	Things of value, the costs of which exceed \$50 in the aggregate
Oregon	Govt. Standards & Practices Comms.	(e)	All expenditures, itemized & categorized; name of official if amount exceeds \$25/occasion
Pennsylvania	Ethics Commission	Quarterly	Gifts totaling \$250/yr or more (reported individually); transportation, lodging, hospitality totaling \$650/occurrence (reported in the aggregate for the year)
Rhode Island	Secretary of State	(f)	Total expenditures; Itemization of any gift or expenditure in excess of \$25
South Carolina	Ethics Commission	Semi-annually	Itemized account of total expenditures, categorized
South Dakota	Secretary of State	After session	All costs incurred for purpose of influencing legislation
Tennessee	Registry of Election Finance	Semi-annually	Political contributions
Texas	Ethics Commission	Annually & monthly	Expenditures by amount, type and persons benefited; detailed reporting of expenditures exceeding \$50 for food, beverage, transportation, lodging, entertainment, and gifts
Utah	Lieutenant	(g)	Aggregate of expenditures under \$50; detailed reports of expenditures

	Governor		exceeding \$50
Vermont	Secretary of State	Semi-annually	Each gift worth more than \$5
Virginia	Secretary of State	Annually	Gifts valued at \$50 or more; multiple gifts with a cumulative value of \$100 or more
Washington	Public Disclosure Commission	Monthly	Total expenditures by category; individual expenditures of more than \$25 for entertainment identified by date, place, amount and name of recipients; any gift in excess of \$50 for food, beverage, travel, lodging for official speeches & appearances
West Virginia	Ethics Commission	After session, annually	All expenditures; recipient if expenditure is in excess of \$25
Wisconsin	Ethics Board	Biennially	Subject areas of interest, daily activities
Wyoming	Secretary of State	Annually	Gifts valued at \$50 or more

- a. Monthly during session; quarterly thereafter
- b. In addition, a report of legislative gift or purchase must be filed within 30 days of giving a gift or making a purchase; the report must be filed with the General Assembly member with respect to whom the report is made and a copy must be filed with the commission.
- c. January, February, March, April, May, September
- d. January, February, March, April, May, September in even-numbered years; January, May and September in odd-numbered years
- e. Jan. & July in even-numbered years; Jan., April, & July in odd-numbered years
- f. March, monthly thereafter until end of session; final report within 30 days after session
- g. After session, annually, seven days before a general election, and seven days after the end of a special session or veto override session

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January 26, 2005

State PagesSelected state: **North Dakota** Select a State 

This state's score is broken down below according to the eight sections of the survey by each of the 48 questions. Scores of 60 points and higher are considered "passing."

Please note that some questions in the survey below are answered with a range of possibilities. For an exact answer, refer to the North Dakota Secretary of State, Administration & Licensing Division Web site:
<http://www.state.nd.us/sec/lobbyistmnu.htm>.

State Rank: 44**State Score: 46****State Lobby Disclosure Report Card:**

Section	Section Score	Maximum Section Score
Definition of Lobbyist	4	7
Individual Registration	14	19
Individual Spending Disclosure	11	29
Employer Spending Disclosure	0	5
Electronic Filing	0	3
Public Access	9	20
Enforcement	8	15
Revolving Door Provision	0	2
Total	46	100

	Question	Answer	Point Value of Answer
Definition of Lobbyist			
1	In addition to legislative lobbyists, does the definition recognize executive branch lobbyists?	No	0
2	How much does an individual have to make/spend to qualify as a lobbyist or to prompt registration as a lobbyist, according to the definition?	Lobbyists qualify and must register no matter how much money made/spent	4
Individual Registration			
3	Is a lobbyist required to file a registration form?	Yes	3
4	How many days can lobbying take place before registration is required?	0 days	4

5	Is subject matter or bill number to be addressed by a lobbyist required on registration forms?	No bill number/subject matter required	0
6	How often is registration by a lobbyist required?	Once a year or more often	2
7	Within how many days must a lobbyist notify the oversight agency of changes in registration?	0 days	4
8	Is a lobbyist required to submit a photograph with registration?	No	0
9	Is a lobbyist required to identify by name each of employer on the registration form?	Yes	1
10	Is a lobbyist required to clearly identify on the registration form any additional information about the type of their lobbying work (ie, compensated or non-compensated/contract or salaried)?	No	0
Individual Spending Disclosure			
11	Is a lobbyist required to file a spending report?	Yes	3
12	How often during each two-year cycle is a lobbyist required to report spending?	0 to 3 filings within two years	0
13	Is compensation/salary required to be reported by a lobbyist on spending reports?	No	0
14	Are summaries (totals) of spending classified by category types (ie, gifts, entertainment, postage, etc.)?	No	0
15	What spending must be itemized?	Itemization threshold: Above \$25	2
16	Is the lobbyist employer/principal on whose behalf the itemized expenditure was made required to be identified?	Yes	1
17	Is the recipient of the itemized expenditure required to be identified?	Yes	1
18	Is the date of the itemized expenditure required to be reported?	Yes	1
19	Is a description of the itemized expenditure required to be reported?	Yes	1
20	Is subject matter or bill number to be addressed by a lobbyist required on spending reports?	No bill number/subject matter required	0
21	Is spending on household members of public officials by a lobbyist required to be reported?	No	0
22	Is a lobbyist required to disclose direct business associations with public officials, candidates or members of their households?	No	0
23	What is the statutory provision for a lobbyist giving/reporting gifts?	Gifts are reported	1
24	What is the statutory provision for a lobbyist giving/reporting campaign contributions?	Campaign contributions allowed and not required to be disclosed on	0

		spending report/allowed during session	
25	Is a lobbyist who has done no spending during a filing period required to make a report of no activity?	Yes	1
Employer Spending Disclosure			
26	Is an employer/principal of a lobbyist required to file a spending report?	No	0
27	Is compensation/salary required to be reported on employer/principal spending reports?	N/A	0
Electronic Filing			
28	Does the oversight agency provide lobbyists/employers with electronic/online registration?	No	0
29	Does the oversight agency provide lobbyists/employers with electronic/online spending reporting?	No	0
30	Does the oversight agency provide training about how to file registrations/spending reports electronically?	N/A	0
Public Access			
31	Location/format of registration or active lobbyist directory:	Searchable database on the Web	3
32	Location/format of spending reports:	Photocopies from office only	1
33	Cost of copies:	25 cents or more per page	0
34	Are sample registration forms/spending reports available the Web?	Yes	1
35	Does the state agency provide an overall lobbying spending total by year?	No	0
36	Does the state agency provide an overall lobbying spending total by spending report deadlines?	No	0
37	Does the state agency provide an overall lobbying spending total by industries lobbyists represent?	No	0
38	How often are lobby lists updated?	Daily	4
Enforcement			
39	Does the state have statutory auditing authority?	No	0
40	Does the state agency conduct mandatory reviews or audits?	No	0
41	Is there a statutory penalty for late filing of lobby registration form?	No	0
42	Is there a statutory penalty for late filing of lobby spending report?	Yes	1
43	When was a penalty for late filing of a lobby spending report last levied?	Within 0 to 1 year	3
44	Is there a statutory penalty for incomplete filing of a lobby registration form?	No	0

45	Is there a statutory penalty for incomplete filing of a lobby spending report?	Yes	1
46	When was a penalty for incomplete filing of a lobby spending report last levied?	Within 0 to 1 year/don't accept incomplete filings	3
47	Does the state publish a list of delinquent filers either on the Web or in a printed document?	No	0
Revolving Door Provision			
48	Is there a "cooling off" period required before legislators can register as lobbyists?	No	0

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January 26, 2005

Nationwide Ranking

WASHINGTON, May 15, 2003 — The Center for Public Integrity conducted a survey of lobby disclosure laws in all 50 states. The survey focused on the registration, spending reports, public access and enforcement regulations governing state lobbyists. The 48 questions used in the survey had multiple-choice answers with numerical values, with 100 possible points. Answers that promote openness, accountability and public access were assigned higher values. The resulting total score for each state is listed below, including a ranking relative to other states.

Scores of 80 and higher are considered satisfactory to excellent. Scores of 70 to 79 are considered relatively satisfactory. Scores of 60 to 69 are considered barely passing. Scores below 60 are considered failing.

Update:

The office of the Secretary of the Commonwealth of Virginia contacted us in March 2004 to provide additional information related to the state's lobbying disclosure laws and practices. After carefully reviewing this information, the Center has revised the Virginia score, moving it into a tie for 16th place, up from 32nd place.

Read more about the [Methodology](#). See [how the federal law stacked up](#). Check out [State Loopholes](#) and [State Comparisons](#).

Sort the data below by clicking on State, Score or Rank. The data below is sorted by Rank.

State	Score	Ranking
Washington	87	1
Kentucky	79	2
Connecticut	75	3
South Carolina	75	3
New York	74	5
Massachusetts	73	6
Wisconsin	73	6
California	71	8
Utah	70	9
Maryland	68	10
Ohio	67	11
Indiana	66	12
Texas	66	12
New Jersey	65	14
Mississippi	65	14
Alaska	64	16

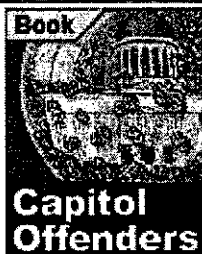
Virginia	64	16
Kansas	63	18
Georgia	63	18
Minnesota	62	20
Missouri	61	21
Michigan	61	21
Nebraska	61	21
Arizona	61	21
Colorado	60	25
Maine	59	26
North Carolina	58	27
New Mexico	58	27
Rhode Island	58	27
Montana	56	30
Delaware	56	30
Arkansas	56	30
Louisiana	55	33
Florida	55	33
Oregon	55	33
Vermont	54	36
Hawaii	54	36
Idaho	53	38
Nevada	53	38
Alabama	52	40
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2002 - 1995 Lobby Spending by State as of May 15, 2003

State	2002Total	2001Total	2000 Total	1999 Total	1998 Total	1997 Total	1996 Total	1995 Total
Alabama	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Alaska	\$11,953,178	\$10,987,483	\$10,916,289	\$11,122,525	Don't Track	Don't Track	Don't Track	Don't Track
Arizona*	\$462,778	\$286,715	\$549,662	\$2,197,328	Don't Track	Don't Track	Don't Track	Don't Track
Arkansas	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
California	\$197,230,234	\$188,596,080	\$180,526,128	\$163,792,522	\$148,242,721	\$144,372,792	\$134,962,246	\$131,977,313
Colorado	\$18,347,076	\$17,541,455	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Connecticut	\$28,066,132	\$36,404,523	\$30,624,675	\$26,156,866	\$22,357,114	\$22,199,077	\$17,719,571	\$20,999,176
Delaware*	\$137,536	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Florida*	\$4,110,321	\$4,799,730	\$4,108,782	\$2,789,540	\$4,634,023	\$6,354,834	Don't Track	Don't Track
Georgia*	\$774,791	\$811,805	\$700,333	\$590,303	\$299,019	\$438,400	\$541,419	\$596,892
Hawaii	\$3,539,505	\$3,206,395	\$3,118,239	\$2,619,050	\$3,708,327	\$3,517,336	\$2,695,632	Don't Track
Idaho*	\$397,031	\$464,250	\$368,657	\$403,446	\$457,152	\$278,374	Don't Track	Don't Track
Illinois*	\$1,164,534	\$1,074,747	\$960,528	\$1,087,861	\$951,609	\$1,079,089	\$1,310,028	\$1,207,249
Indiana	\$19,968,676	\$20,431,181	\$15,453,753	\$15,733,699	\$12,351,583	\$12,857,509	\$7,456,827	\$7,867,509
Iowa^	\$6,479,175	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Kansas	\$473,624	\$494,419	\$496,061	\$630,855	\$537,675	\$596,856	\$576,816	\$632,572
Kentucky	\$10,321,181	\$6,878,721	\$9,290,583	\$4,433,948	\$8,086,344	\$3,583,810	\$7,305,064	\$2,732,828
Louisiana*	\$393,196	\$518,176	\$400,963	\$427,184	\$342,946	\$635,183	Don't Track	Don't Track
Maine	\$3,195,992	\$4,363,567	\$3,536,156	\$3,937,288	\$2,554,753	\$4,124,135	\$2,309,725	\$3,506,248
Maryland	\$26,439,229	\$22,390,081	\$22,594,270	\$23,465,383	\$22,870,588	Don't Track	Don't Track	Don't Track
Massachusetts	\$53,739,651	\$53,514,941	\$47,742,632	\$41,989,101	\$32,465,343	\$32,124,954	\$25,231,989	\$22,323,767
Michigan	\$23,253,253	\$23,846,524	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Minnesota	\$41,308,993	\$8,305,408	\$6,016,279	\$6,649,923	\$6,004,883	\$5,737,474	\$4,119,347	\$5,475,786
Mississippi	\$9,790,889	\$7,899,047	\$8,114,584	\$6,485,311	\$5,580,856	\$4,995,827	\$4,556,645	\$3,833,723
Missouri	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Montana	\$501,492	\$5,172,949	\$252,093	\$4,987,236	Don't Track	Don't Track	Don't Track	Don't Track

2002 - 1995 Lobby Spending by State as of May 15, 2003 Continued

State	2002Total	2001Total	2000 Total	1999 Total	1998 Total	1997 Total	1996 Total	1995 Total
Nebraska	\$8,716,759	\$8,850,981	\$6,423,631	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Nevada*	Don't Report	\$11,883	Don't Report	\$23,256	Don't Report	\$23,166	Don't Report	\$28,253
New Hampshire	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
New Jersey	\$22,439,123	\$19,174,043	\$18,392,697	\$19,046,320	\$16,435,237	\$16,182,356	\$14,862,279	\$13,385,353
New Mexico	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
New York	\$92,000,000	\$80,400,000	\$66,300,000	\$71,900,000	\$55,000,000	\$51,000,000	\$49,100,000	\$46,900,000
North Carolina	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
North Dakota	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Ohio*	\$411,064	\$808,099	\$389,112	\$364,586	Don't Track	Don't Track	Don't Track	Don't Track
Oklahoma	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Oregon	\$15,992,813	\$19,821,845	\$11,212,639	\$18,607,678	\$9,967,125	\$15,596,592	\$8,807,766	\$13,599,179
Pennsylvania	\$28,154,697	\$51,633,894	\$46,739,349	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Rhode Island	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
South Carolina	\$13,591,273	\$14,461,168	\$1,867,084	\$2,121,918	Don't Track	Don't Track	Don't Track	Don't Track
South Dakota	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Tennessee^	\$222,664	\$174,232	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
Texas*	\$1,372,830	\$2,681,271	\$1,765,473	\$14,525,408	\$5,278,241	\$4,632,099	\$2,221,018	\$2,574,944
Utah*	\$131,312	\$219,840	\$204,404	\$237,998	\$99,507	\$134,218	\$44,181	\$6,118
Vermont^	\$5,221,131	\$5,271,006	\$5,182,520	\$4,271,260	Don't Track	Don't Track	Don't Track	Don't Track
Virginia	\$10,565,967	\$12,068,588	\$10,111,823	\$15,278,576	\$9,065,745	\$7,931,224	\$7,556,689	Don't Track
Washington^	\$33,192,837	\$30,414,601	\$31,255,558	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
West Virginia^^	\$303,864	\$226,000	\$275,310	\$205,632	\$309,775	\$208,239	\$208,069	Don't Track
Wisconsin	\$21,482,442	\$25,194,471	\$19,076,005	\$25,329,866	\$19,259,318	\$11,570,044	\$17,206,939	\$20,583,304
Wyoming*	\$82,963	\$174,526	\$127,924	Don't Track	Don't Track	Don't Track	Don't Track	Don't Track
TOTALS	\$715,930,207	\$689,574,646	\$565,094,196	\$491,411,867	\$386,859,884	\$350,173,588	\$308,792,250	\$298,230,214

*2002 total DOES NOT include lobbyist salaries/compensation; Mississippi only includes salaries/compensation

^2002 total includes campaign contributions/political donations from lobbyists to candidates; Tennessee only includes campaign contributions

ALVIN A. JAEGER
SECRETARY OF STATE



PHONE (701) 328-2900
FAX (701) 328-2992

E-MAIL sos@state.nd.us

HOME PAGE www.state.nd.us/sec

SECRETARY OF STATE

STATE OF NORTH DAKOTA
600 EAST BOULEVARD AVENUE DEPT 108
BISMARCK ND 58505-0500

March 17, 2005

TO: Rep. Haas, Chairman,
and Members of the House Government and Veterans Affairs Committee

FR: Al Jaeger, Secretary of State

RE: First Engrossment of Engrossed SB 2303 – Legislative Lobbying

Under current law, the registration cycle for a lobbyist begins July 1 and ends on June 30 of the succeeding year regardless of when during the cycle the lobbyist registered or how many days during the registration cycle they actually engaged in lobbying. Then, by August 1 after the end of the registration cycle, the lobbyist is required to file with the Secretary of State a report itemizing his or her reportable expenditures made during that registration year.

As it was originally introduced, Section 1 of the bill would have required quarterly reports. Without other significant changes to the present law, this requirement would have presented a logistical and processing challenge. The Senate removed this requirement along with Section 2 of the original bill. It then made several other changes and added the now Section 2 to this engrossed bill.

Section 1 of the Engrossed Bill includes three areas of change.

1. Throughout, there are numerous changes made to updating text style and lengthy paragraphs are broken up into subsections, which make this section of law much easier to read.
2. On page 2, lines 21 and 22, it makes it clear that the \$50 reporting threshold on any single occasion applies individually to the legislator and the governor as well as to the spouse and any other family member of the legislator and the governor.
3. On page 2, a line 24 through 27, the change clarifies the information that the lobbyist must report if he or she exceeds the \$50 or more reporting threshold.

Section 2 of the Engrossed Bill includes three areas of change.

1. Throughout, are the same changes as noted above in explanation # 1 for Section 1.
2. On page 4, lines 11 and 12, the Secretary of State is to make available to the public a report of the total amount of expenditures reported.
3. On page 4, lines 13 through 16, the Secretary of State is authorized and may, as resources permit, establish electronic registration and reporting procedures and make lobbyist reports available on the agency's website.

**CHAPTER 54-05.1
LEGISLATIVE LOBBYING**

3/17/65
Current Law

54-05.1-01. Legislative intent. It is hereby declared to be the intent of the legislative assembly to require that lobbyists register as such before engaging in lobbying activity and to require certain reporting procedures by lobbyists.

54-05.1-02. Applicability - Meaning of lobbyist.

1. This chapter applies to any person who, in any manner whatsoever, directly or indirectly, performs any of the following activities:
 - a. Attempts to secure the passage, amendment, or defeat of any legislation by the legislative assembly or the approval or veto of any legislation by the governor of the state.
 - b. Attempts to influence decisions made by the legislative council or by an interim committee of the legislative council.
2. This chapter does not apply to any person who is:
 - a. A legislator.
 - b. A private citizen appearing on the citizen's own behalf.
 - c. An employee, officer, board member, volunteer, or agent of the state or its political subdivisions whether elected or appointed and whether or not compensated, who is acting in that person's official capacity.
 - d. Invited by the chairman of the legislative council, an interim committee of the legislative council, or a standing committee of the legislative assembly to appear before the council, interim committee, or standing committee for the purpose of providing information.
 - e. An individual who appears before a legislative committee for the sole purpose of presenting testimony on behalf of a trade or professional organization or a business or industry if the individual is introduced to the committee by the registered lobbyist for the trade or professional organization or the business or industry.
3. For the purposes of this chapter, persons required to register under this chapter because of the performance of the activities described in subsection 1 must be known as "lobbyists".

54-05.1-03. Registration as a lobbyist - Fee - Filing of information - Public inspection - Certificate of registration.

1. Any person who shall engage or be engaged by any other person either on a part-time or on a full-time basis for any of the activities listed in section 54-05.1-02, shall, before doing anything in furtherance of such purposes, register with the secretary of state and receive a certificate of registration and a distinctive lobbyist identification badge that must be prominently worn by the lobbyist when engaged in any of the activities listed in section 54-05.1-02 while on the capitol grounds. In lieu of wearing the official badge provided by the secretary of state, a lobbyist may wear a reasonable reproduction of the official badge that contains the name of the lobbyist and any of the following: the word lobbyist, the registration number of the lobbyist, or the organization name of the lobbyist in characters no smaller than one-quarter inch [6.35 millimeters]. The registrant shall state in writing the registrant's full name

and business address, the name and address of the person or persons upon whose behalf the registrant appears, all persons, corporations, limited liability companies, associations, groups, or organizations in whose interest the registrant appears or works, the duration of such employment or appearances, and by whom the registrant is paid or is to be paid. The registration period commences on July first and expires on June thirtieth of the following calendar year unless an earlier expiration date is requested by the registrant. Lobbyists required to be registered shall file with the secretary of state, prior to the issuance of a certificate of registration, a written authorization to act as lobbyist. Such authorization must be signed by the person or official of the corporation, limited liability company, association, group, or organization employing such lobbyist and may be filed by facsimile transmission. The secretary of state shall charge a fee of twenty dollars for registering each lobbyist and the first person or entity represented by the lobbyist and an additional fee of five dollars for each subsequent person or entity represented by the lobbyist.

2. Each person registering to act as a lobbyist shall file, on or before August first following the expiration of the registration period, with the secretary of state a detailed report. The report must include a statement as to each expenditure, if any, of fifty dollars or more expended on any single occasion during the legislative session or the interim, as the case may be, on any individual in carrying out the lobbyist's work or include a statement that no reportable expenditures were made during the reporting period. A state official or agency may not require reporting of lobbyist expenditures other than is required under this subsection. The secretary of state shall provide a prescribed form for reporting pursuant to this chapter. The secretary of state shall charge and collect fees for late filing of the detailed expenditure report as follows:
 - a. Within sixty days after the date provided in this subsection for filing the detailed expenditure report, twenty-five dollars;
 - b. Thereafter, fifty dollars; and
 - c. If any currently registered lobbyist fails to file a detailed expenditure report and pay any late fee by October first, the lobbyist's registration is automatically revoked. The lobbyist's registration may be reinstated if the lobbyist thereafter files the detailed expenditure report and pays any outstanding late fee.
3. All information required to be filed under the provisions of this section with the secretary of state and that previously filed must be compiled by the secretary of state within forty days after the close of the period for which such information is filed and such files must be open and accessible for public inspection during the normal working hours.

54-05.1-04. Granting and revoking of certificates - Referrals and reports to the attorney general.

1. It is the duty and responsibility of the secretary of state:
 - a. To grant a certificate of registration and to design and furnish a distinctive lobbyist identification badge to any person registering under section 54-05.1-03 who supplies the information therein required.
 - b. To revoke the certificate of registration of any person who has been convicted of violating any of the provisions of this chapter.
 - c. To refer on the secretary of state's own motion or on the verified complaint of any member of the legislative assembly or on the verified complaint of any state official, board, commission, department, or agency, or on the verified

complaint of any other person, to the attorney general for investigation, the activities of any person who the secretary of state has reason to believe has been acting as a lobbyist and who may be in violation of the requirements of this chapter.

- d. To make available upon request of any citizen expenditures by categories reported by registered lobbyists to have been expended on each individual in carrying out that person's work.
 - e. To supply a current list of registered lobbyists for each legislator upon request.
2. In addition, the secretary of state may revoke the certificate of registration issued pursuant to this chapter for failure to file the reports required by this chapter when due, but no certificate may be revoked if, prior to the last day for filing such reports, the secretary of state has been informed in writing of extenuating circumstances justifying such failure.

54-05.1-05. Invitations and gifts to legislators.

1. When any lobbyist invites a legislator to attend a function sponsored in whole or in part by the lobbyist or the principal, the lobbyist shall, upon the request of the legislator, supply the legislator with the true or estimated cost of the gratuity and allow the legislator to attend the function and pay the legislator's own share of the expenses.
2. When any lobbyist offers a gift of a non-information-bearing nature to a legislator, the lobbyist shall, upon the request of the legislator, supply the legislator with the true or estimated cost of the gratuity and allow the legislator to pay the cost of and receive the gift.

54-05.1-06. Unlawful means to influence legislative assembly. In addition to the violation of any other provision of this chapter, it is unlawful for any lobbyist or for any other person:

1. To directly or indirectly give or agree to give any money, property, or valuable thing, or any security therefor, to any person for that person's service or the service of any other person in procuring the passage or defeat of any measure before the legislative assembly or either house thereof, or before any committee thereof, upon the contingency or condition that any measure will be passed or defeated.
2. To directly or indirectly receive or agree to receive any such money, property, thing of value, or security for such service, upon any such contingency or condition, as set forth in the preceding subsection.
3. To attempt to influence any member of the legislative assembly without first making known to such member the real and true interest the person has in such measure, either personally or as agent or attorney.

54-05.1-07. Penalty. Any person who violates any provisions of this chapter is guilty of a class B misdemeanor except that a violation of section 54-05.1-02 or 54-05.1-03 is an infraction.