

2009 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1490

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1490

House Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: 01/30/2009

Recorder Job Number: 8255

Committee Clerk Signature

*Melissa M. Erhardt*

Minutes:

**Chairman Grande:** Open the hearing on HB 1490. Clerk read the title.

**Rep. Boehning:** Going to let the Secretary of State speak.

**Chairman Grande:** Mr. Secretary of State.

**Al Jaeger, Secretary of State:** The entire purpose of this particular bill is just to bring the recording requirements in line and across the board, and all of the sections that deal with campaign finance reporting. See attachment # 1.

Testimony.

**Chairman Grande:** Questions from the committee?

**Rep. Karls:** On Page 4, Line 21, Is this a new requirement? The cash on hand and the filers account at the start and close of reporting period?

**Al Jaeger:** No. It would be for this filing.

**Chairman Grande:** Correct.

**Al Jaeger:** Leann is my expert. No, as Legislators you do not have that cash on hand type of requirement, you are dealing with ones that are exempt from having it.

**Chairman Grande:** But the Judges do?

**Al Jaeger:** Yes. There are some rules that are a little bit different for Legislators.

**Chairman Grande:** As it should be. Any other questions from the committee?  
In favor of 1490 x 2? Against? Neutral? Hearing closed on HB 1490.

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. Committee Work One 1490

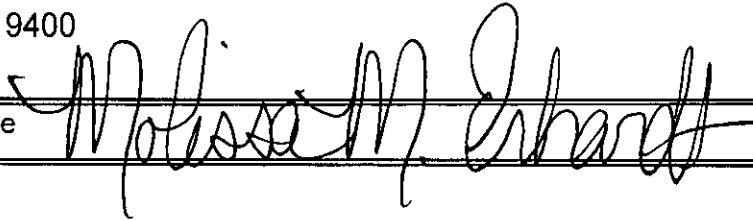
House Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: 2/12/2009

Recorder Job Number: 9400

Committee Clerk Signature



Minutes:

### COMMITTEE WORK ONE:

**Chairman Grande:** We will have discussion on HB 1490. The Secretary of State's request on some clean-up or changing language on campaign finance so Vice Chairman Randy Boehning do you wish to explain it or does everyone remember? If grab the SOS notes he walks you through it really easy. This is the beauty of taking any bill that the SOS puts in because he always has it meticulously organized.

**Vice Chairman Randy Boehning:** Basically what this bill is doing is judicially changing.

**Chairman Grande:** So what we are doing here is in a couple of sections is looking for reporting requirements for county officer candidates in Section 4, Judicial candidates in Section 3, same reporting requirements for candidates in the city with populations of 5,000 or more, Section 5.

**Rep. Winrich:** It really brings non-partisan candidates under the reporting part of the law.

**Rep. Karls:** Move for a Do Pass motion.

**Rep. Nathe:** 2<sup>nd</sup>.

**Chairman Grande:** Any discussion, the clerk will call the roll on a Do Pass motion.

**Rep. Kasper:** On Section 3, Page 2, does this apply to Legislative candidates?

**Chairman Grande:** No.

**Rep. Kasper:** Where is the section on the legislative candidates?

**Chairman Grande:** It is not in here. We are not touching it.

**Rep. Kasper:** Then I don't have a problem.

**Chairman Grande:** They are specifically left off. Secretary Jaeger is making everyone report just like us.

**Rep. Kasper:** However, here is a bad thing on this bill on Line 16, Page 2. The gross total of all contributions received in excess of \$200. I think that is, we have to do that anyway. I was looking at it the other way. If you are under \$200 you had to do the gross.

**Rep. Schneider:** Since it is reportable anyway you could just go through an (can't understand word).

**Rep. Kasper:** Never mind.

**Chairman Grande:** Any other comments. Clerk will call the roll.

**Clerk Erhardt:** Roll Call. Yes: 12. No: 0. Absent: 1. Carrier: Rep. Winrich.

Date: 2/12/09  
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1490

House Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Karls Seconded By Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Grande	✓		Rep. Amerman	✓	
Vice Chairman Boehning	✓		Rep. Conklin	✓	
Rep. Dahl	✓		Rep. Schneider	✓	
Rep. Froseth	✓		Rep. Winrich	✓	
Rep. Karls	✓		Rep. Wolf	✓	
Rep. Kasper	✓				
Rep. Meier	✓				
Rep. Nathe	✓				

Total (Yes) 12 No 0

Absent 1

Floor Assignment Rep Winrich

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

REPORT OF STANDING COMMITTEE (410)  
February 13, 2009 1:58 p.m.

Module No: HR-29-2683  
Carrier: Winrich  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

HB 1490: Government and Veterans Affairs Committee (Rep. Grande, Chairman)  
recommends **DO PASS** (12 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING).  
HB 1490 was placed on the Eleventh order on the calendar.



2009 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1490

## 2009 SENATE STANDING COMMITTEE MINUTES


Bill/Resolution No.1490

Senate Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: 03/19/09

Recorder Job Number: 11303

Committee Clerk Signature	
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Minutes:

Chairman Dever opened the public hearing on House Bill 1490

**Al Jager:** Secretary of State. See attached testimony #1.

**Al Jager:** Intent of the bill is to make everything consistent. Since this was done in 2003 we had a comprehensive campaign finance report, that is the way we started out at the time.

**Senator Nelson:** We are not consistent with legislative candidates either, because as treasurer for the Cass County Democrats and as former treasurer of the Senate Caucus I had to fill out a form that had all the things for statewide office. I think that it would be helpful to see what other candidates are getting. If we are going to be open about campaign finance I think that legislators should be responsible.

**Al Jager:** What I have done here is I have given you the statewide information.

**Senator Horne:** I am looking at the language, under district judge, is it true that this is a new requirement to report anything over \$200?

**Al Jager:** They always have had to report what they receive over \$200 from one person. Now it is a gross total of all contributions over \$200. They don't have an ending a beginning balance. The statewide candidates have to report what they have on hand.

**Senator Cook:** Do we have a problem we are trying to fix?

**Al Jager:** Not specifically it just makes it the same and that the same info is being reported.

We think that in the spirit of disclosure this legislation makes sense.

**Senator Cook:** Consistent in treating all candidates equal.

**Al Jager:** There are some things that statewide, don't have to beginning and ending balance.

The only people that have to report expenditures are the measure committees and the political parties. It is for consistency purposes.

**Senator Oehlke:** Perhaps you could explain how to access that info.

**Al Jager:** These reports are on our website as far as who has contributed and how much.

When I first started it came in as paper. Since we have made advances in our office, the information we hope that by the next election we can do it online. We are completely changing the processing that we have. We do allow for online filing of corporate papers.

**Senator Horne:** If someone like Senator Cook decided to self-finance his campaign, would he have to report that?

**Al Jager:** No.

**Senator Dever:** Judges have a different set of ethics and they are not allowed to accept money.

**Al Jager:** If I understand correctly they are not supposed to know who contributed money to them.

**Senator Cook:** If a candidate for city commission and county commission, they don't spend a lot of money. This requirement that they report the total contributions under \$200, how do you audit it?

**Al Jager:** Nobody knows on any list on any candidate. We do have audit provisions but that is filed with the city or county. The Senate had a bill that would make the requirement for

counties under \$5,000 and it failed. Mayor races and things like that have gotten to be quite expensive.

**Senator Cook:** Does a candidate required to keep a paper trail? How long?

**Al Jager:** I don't believe there is any time period on that. An audit can be forced and they have to document what they receive. If they receive anything over \$200 then it needs to show up in someone's report. Legislators do not have to file a committee, as a statewide I don't have to either but I have a reporting requirement. But you really don't have the option of filing a committee. I imagine that you would want to keep the records of IRS purposes.

**Senator Cook:** In our district none of us have our own campaign funds, buy the time the reporting is done and you try to obey the law we end up double reporting a lot of income. If I get campaign checks that I have to report, because they are over \$200, then I sign over to the district and they report it as income for me, I report it as campaign contributions that I receive then it is reported twice. So there is a paper trail that if someone followed it they would think that we had all kinds of money.

**Al Jager:** That has been brought up to us, but what is important is that anyone who realizes what you are doing, the fact is that all of you receive checks that is written to your campaign and even if you turn it over it will show up on somebody's PAC report that they gave you \$200 Everyone is going to know that you are receiving the money.

**Senator Nelson:** Do you encourage their own EIN so they segregate their accounts?

**Al Jager:** We have never done that. I have no clue how mine is set up because my account was set up in 1992 and I have never had to go back in.

**Senator Dever:** If a candidate receives money for campaign purposes and doesn't uses it for campaign purposes are they allowed to put it in their personal account or are they obligated to declare it as income?

**Al Jager:** The law does not direct how that money can be used, it's up to the person.

**Jerry Hjelmstad:** North Dakota Association of Counties. Another report required that they have not had to issue before. If they did in fact receive a contribution in a non election year they would be required to report them.

There was no further testimony or questions. Chairman Dever closed the public hearing on HB1490.

## 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1490

Senate Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: 03/19/09

Recorder Job Number: 11661

Committee Clerk Signature

*Kathy Oliver*

Minutes:

**Senator Nelson:** The league of cities is neutral.

**Senator Dever:** What happens if you win a write in vote?

**Senator Cook:** We need to do some amending on this bill. The general concept I agree with

but we have some conditions that are being put on local candidates and not on us, I don't want to go down that road.

**Senator Nelson:** That is the same thing as multi-candidates have to file. Cass County

Democrats have to have a beginning of the year balance and the end of the year contributions, and the total contributions, not that hard to do but.

**Senator Cook:** I have it every year, if you have any type of computer program it's easy to keep track of.

**Senator Dever:** Existing law requires that they report contributions over \$200.

**Senator Nelson:** Not for judges.

**Senator Dever:** Can't you add them up on the report?

**Senator Nelson:** What do we do to the counties in the next batch?

**Senator Cook:** We add the gross total, gross total less than. Cash on hand in the beginning and the end

**Senator Horne:** As to why, these additions will make consistent campaign contribution laws for judges, county commissioners, and city elections, that seemed to be the goal.

**Senator Cook:** He said consistent but left out legislative races.

Senator Cook made a motion to adopt the amendments with a second by Senator Horne.

Senator Horne: What was the purpose of moving the amendment?

**Senator Cook:** Judges are required to report all contributions over \$200 I don't think that there needs to be another asking them to add that total. The other thing is it requires them to file a report every year whether they are in an election year or not, they don't need that burden.

Section 5 deals with city candidates. I may have missed it but I don't see a problem

**Senator Dever:** Another thing is we are partisan and that creates special interest and more influence

**Senator Nelson:** Cities can require it anyway. Cities can require this; do any of them have it?

**Senator Dever:** How often do they have contested races?

There was no more discussion and the motion to adopt the amendments passed 5-0. Senator Cook moved a do pass as amended with a second by Senator Nelson. There was no discussion and the motion passed 5-0 with Senator Dever carrying the bill to the floor.

*Q3*  
*4-2-9*

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1490

Page 1, line 1, replace the comma with "and"

Page 1, line 2, remove ", subsection 1 of section 16.1-08.1-03.9, and sections 16.1-08.1-03.10  
and"

Page 1, line 3, remove "16.1-08.1-03.11"

Page 2, remove lines 6 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 19

Renumber accordingly



Date: 4-2-09  
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1490

Senate Government and Veteran's Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Adopt amendments

Motion Made By Cook Seconded By Horne

Representatives	Yes	No	Representatives	Yes	No
Dick Dever	X		Dwight Cook	X	
Dave Oehlke	X		Carolyn Nelson	X	
Robert M. Horne	X				

Total Yes 5 No 0

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

Date: 4-2-09  
Roll Call Vote #: 2

Carrier  
Devel

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1490

Senate Government and Veteran's Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass as Amended

Motion Made By Cook Seconded By Nelson

Representatives	Yes	No	Representatives	Yes	No
Dick Dever	x		Dwight Cook	x	
Dave Oehlke	x		Carolyn Nelson	x	
Robert M. Horne	x				

Total Yes 5 No 0

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

**REPORT OF STANDING COMMITTEE**

**HB 1490: Government and Veterans Affairs Committee (Sen. Dever, Chairman)**  
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends  
**DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1490 was placed  
on the Sixth order on the calendar.

Page 1, line 1, replace the comma with "and"

Page 1, line 2, remove ", subsection 1 of section 16.1-08.1-03.9, and sections 16.1-08.1-03.10  
and"

Page 1, line 3, remove "16.1-08.1-03.11"

Page 2, remove lines 6 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 19

Renumber accordingly

2009 HOUSE GOVERNMENT AND VETERANS AFFAIRS

CONFERENCE COMMITTEE

HB 1490

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. Conference Committee One HB 1490

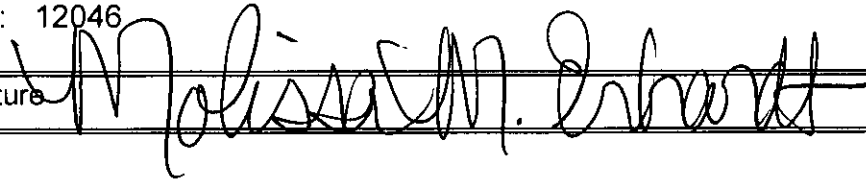
House Government and Veterans Affairs Committee

☒ Check here for Conference Committee

Hearing Date: 04/21/2009

Recorder Job Number: 12046

Committee Clerk Signature



Minutes:

### CONFERENCE COMMITTEE ONE:

**Chairman Froseth:** We will open the Conference Committee hearing on HB 1490. Clerk will call the roll.

**Clerk Engleson:** Roll Call. All present. Chairman Representative Glen Froseth.

Representative Karen Karls. Representative Lonny Winrich. Senator Dick Dever. Senator Dave Oehlke, Senator Robert Horne.

**Chairman Froseth:** We will open the discussion. The Senate amended out Sections 3, 4, and 5.

**Sen. Dever:** Section 3 pertains to judicial district candidates and the reason we amended that Section out is because they are required to report individual contributions in excess of \$200. The amendment was to say that they also have to report the gross total of all contributions received in excess of \$200. The House looked at that and said all you have to do is add them up. They are already reported and so we took that Section out and after we acted on the bill

the Secretary of State came and said that causes a software problem for them.

Because the judicial district candidates have the same reporting requirements as other State wide candidates and so they are set up on the same software. Even though it seems simple there would be some expense in setting them aside separately. Section 4 applies to candidates for County Offices and requires the gross total of all contributions received in excess of \$200 or less and then the cash on hand in the filers account at the start of the close in the reporting period. Then Section 5 does the same thing for City Office candidates in populations of 5,000 or more. The Senate felt like these requirements go beyond the requirements that they have for Legislative Candidates and that would not be appropriate in our view. I think the dynamics are different for County and City Offices because they are not partisan or anything like that.

**Chairman Froseth:** The Secretary of State visited with me about this and made the same concern. I guess in my personal opinion I didn't have any real reason why the County and City candidates should be required to file either. Any other discussion?

**Sen. Oehlke:** The only thing I would add, Mr. Chairman, is for our purposes I don't know if you noticed on the last part of what is left on 0300 Engrossed Bill it mentions in Section of Code that political committee reports have to be made to.

just made a copy of that piece of the Century Code and it is pretty short but it

delineates what they have to do. I didn't know if everyone wanted to take a look at that if they hadn't. Just so we know what is left in that Section.

**Sen. Dever:** The appropriate thing for us to do is for us to recede from the amendments and amend to delete Sections 4 and 5. Which would have the effect of leaving Section 3 in the bill?

**Chairman Froseth:** I believe that would be the proper amendment.

**Sen. Dever:** I will make that motion.

**Sen. Horne:** 2<sup>nd</sup>.

**Chairman Froseth:** We have a motion by Sen. Dever and a 2<sup>nd</sup> by Sen. Horne that the Senate recede from their amendments and remove Sections 3, 4, and 5 and further amend to restore Section 3. Any other discussion on the amendments?

**Sen. Oehlke:** Would we still leave Item D under Section 3 in there then?

**Sen. Dever:** We would be restoring all of Section 3. If you look at the amendments the only real change is that it did say Page 2, remove Lines 6 – 31, and now it says remove Lines 21- 31.

**Rep. Winrich:** Just a comment with regards to removing Sections 4 and 5. I recognize that candidates in these elections are officially non-partisan but there often are very divisive issues in these elections and I think the public is served by some sort of transparency about who is supporting what financially in our political

system nowadays. It really doesn't have a great effect on me I guess because in Grand Forks at any rate there are reporting requirements, the city has adopted them. This might change things a little bit and I have not really reviewed things but I do think that there is something to be said for the reporting that is expired in Section 4 and 5.

**Sen. Dever:** They are required to file reports and this adds to that requirement. The gross total of all contributions received in excess and less than \$200 and the cash on hand. So they do have reporting requirements and part of the concern with the Secretary of State in Section 3 was that the judicial candidates report to the Secretary of State and the County candidates report to the County Auditor.

**Chairman Froseth:** The present law will stay in place.

**Sen. Dever:** Under Subsection One A, they are required to report name and mailing address of all contributors who made contributions in excess of \$200.

**Chairman Froseth:** The clerk will take a Roll Call vote on proposed amendments to HB 1490.

**Clerk Engleson:** Roll Call: Yes: 6. No: 0. Absent: 0. Carrier: Chairman Rep. Glen Froseth.

**Chairman Froseth:** The amendment passed so we have the newly amended bill before us. Close the Conference Committee hearing on HB 1490.



VR  
4/21/09

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1490

That the Senate recede from its amendments as printed on page 1177 of the House Journal and pages 1013 and 1014 of the Senate Journal and that House Bill No. 1490 be amended as follows:

Page 1, line 2, after the first comma insert "and" and remove ", and section 16.1-08.1-03.10 and"

Page 1, line 3, remove "16.1-08.1-03.11"

Page 2, remove lines 21 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 19

Renumber accordingly

**REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)**

Bill Number HB 1490 (, as (re)engrossed):

Date: 4/21/09

Your Conference Committee SVA

*Roll Call*

For the Senate:

For the House:

	YES / NO		YES / NO
<input checked="" type="checkbox"/> Chair Sen. Dick Dever	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Chair Rep. Glen Froseth	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Sen. Dave Dehike	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Rep. Karen Kads	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Sen. Robert Horne	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Rep. Lanny Winick	<input checked="" type="checkbox"/>

*Roll Call*

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE) from

the (Senate/House) amendments on (SJ/HJ) page(s) 1171 - \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

☒ adopt (further) amendments as follows, and place HB 1490 on the Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE: 4/21/09

CARRIER: Chairman Rep. Glen Froseth

LC NO. <u>90783</u>	of amendment <u>0202</u>
LC NO. _____	of engrossment _____
Emergency clause added or deleted _____	
Statement of purpose of amendment _____	

MOTION MADE BY: Sen. Dick Dever

SECONDED BY: Sen. Robert Horne

VOTE COUNT 6 YES 0 NO 0 ABSENT

**REPORT OF CONFERENCE COMMITTEE**

**HB 1490:** Your conference committee (Sens. Dever, Oehlke, Horne and Reps. Froseth, Karls, Winrich) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1177, adopt amendments as follows, and place HB 1490 on the Seventh order:

That the Senate recede from its amendments as printed on page 1177 of the House Journal and pages 1013 and 1014 of the Senate Journal and that House Bill No. 1490 be amended as follows:

Page 1, line 2, after the first comma insert "and" and remove ", and section 16.1-08.1-03.10 and"

Page 1, line 3, remove "16.1-08.1-03.11"

Page 2, remove lines 21 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 19

Renumber accordingly

HB 1490 was placed on the Seventh order of business on the calendar.

2009 TESTIMONY

HB 1490

ALVIN A. JAEGER  
SECRETARY OF STATE

HOME PAGE [www.nd.gov/sos](http://www.nd.gov/sos)



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

January 30, 2009

#1  
PHONE (701) 328-2900

FAX (701) 328-2992

E-MAIL [sos@nd.gov](mailto:sos@nd.gov)

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

FR: Al Jaeger, Secretary of State

RE: HB 1490 – Campaign Finance Reporting

This bill was introduced at the request of the Secretary of State.

Section 1, page 1, lines 10 and 11: Inserts into the definition of expenditure (where such reporting is required) that the meaning of expenditure also applies to influencing the passage or defeat of a measure.

Section 2, page 1, lines 18 through 20: Removes redundant text because they are already defined in the applicable subsections of N.D.C.C. § 16.1-08.1-01.

Section 3, page 2, line 16: This section pertains to judicial district candidates and it Inserts text requiring the reporting of the gross dollar total of contributions received in excess of \$200. This makes it consistent with the existing law in the new subsection e, which requires the reporting of the gross dollar total of contributions received in the amount of \$200 and less.

Section 4, page 3, lines 2 through 6: Inserts the requirement for county office candidates to report the gross dollar total of contributions received in excess of \$200 and the gross dollar total of contributions received \$200 and less.

Section 4, page 3, lines 21 through 23: It requires a candidate for a county office to file a year-end campaign contribution report regardless of whether they sought election during the year. This makes it consistent with the reporting requirements in all other sections of the chapter.

Section 5, page 4, lines 18 through 21 and page 5, lines 6 through 8: Creates the same reporting requirements for a candidate for a position in a city with a population of 5,000 or more, as was done in Section 4 for a county position.

ALVIN A. JAEGER  
SECRETARY OF STATE

ME PAGE [www.nd.gov/sos](http://www.nd.gov/sos)



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E-MAIL [sos@nd.gov](mailto:sos@nd.gov)

## SECRETARY OF STATE

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

December 31, 2008

TO: Statewide Officeholders and Statewide Candidates

FR: Al Jaeger, Secretary of State

RE: 2008 Year-end Campaign Contribution Report

State law defines the following persons as candidates who must file a year-end campaign contribution report with the Secretary of State.

1. A person holding public office;
2. A person who has publicly declared that person's candidacy for nomination for election or election to public office or has filed or accepted a nomination for public office;
3. A person who has formed a campaign or other committee for that person's candidacy for public office;
4. A person who has circulated a nominating petition to have that person's name placed on the ballot; and
5. A person who has, in any manner, solicited or received a contribution for that person's candidacy for public office, whether before or after the election for that office.

According to our records and understanding, you are a candidate as defined above and are required to file a year-end campaign contribution report. Please use the enclosed form (SFN 53967) for reporting the campaign contributions you received from January 1, 2008 through December 31, 2008. The report must be filed whether or not you received any contributions during the year.

The report must provide the following information:

1. The cash on hand in the filer's account on January 1, 2008 or date of committee registration.
2. The cash on hand in the filer's account on December 31, 2008.
3. The gross total of all contributions received in excess of \$200.
4. The gross total of all contributions received of \$200 or less.
5. A listing of all contributions over \$200, in the aggregate, received from a single contributor beginning January 1, 2008, through December 31, 2008, including the name of the contributor, their mailing address, and date of the most recent contribution (for aggregate contributions totaling \$5,000 or over, the report must also include the contributor's occupation, employer, and principal place of business).

The report must be filed on or before Monday, February 2, 2009.

To be considered a timely filed report, it may be hand-carried to the Secretary of State's office on or before the filing due date, conveyed by facsimile transmission to (701) 328-2992 on or before the filing due date, transmitted via e-mail as a scanned PDF copy to [sosselect@nd.gov](mailto:sosselect@nd.gov) on or before the filing due date, or have a postmark on the mailing envelope on or before the filing due date.

LATE FILING PENALTY: State law requires that a late filing fee must be assessed if the report:

- is filed on Tuesday, February 3, and no later than Monday, February 9 – \$25 late fee.
- is filed on Tuesday, February 10, and no later than Friday, February 13 – \$50 late fee.
- is submitted after Friday, February 13 – \$100 late fee

The report form, along with complete campaign finance and disclosure requirements, is also available on the Secretary of State's website at [www.nd.gov/sos](http://www.nd.gov/sos). All filed reports will be posted on the website.

ALVIN A. JAEGER  
SECRETARY OF STATE

PHONE PAGE [www.nd.gov/sos](http://www.nd.gov/sos)



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

E-MAIL [sos@nd.gov](mailto:sos@nd.gov)

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

March 19, 2009

TO: Senator Dever, Chairman, and Members of the Senate Judiciary Committee

FR: Al Jaeger, Secretary of State

RE: HB 1490 – Campaign Finance Reporting

This bill was introduced at the request of the Secretary of State.

Section 1, page 1, lines 10 and 11: Inserts into the definition of expenditure (where such reporting is required) that the meaning also applies to influencing the passage or defeat of a measure.

Section 2, page 1, lines 18 through 20: Removes redundant text because everything listed is already defined in the applicable subsections of N.D.C.C. § 16.1-08.1-01.

Section 3, page 2, line 16: This section pertains to judicial district candidates and it Inserts text requiring the reporting of the gross dollar total of contributions received in excess of \$200. This makes it consistent with the existing law in the new subsection e, which requires the reporting of the gross dollar total of contributions received in the amount of \$200 and less.

Section 4, page 3, lines 2 through 6: Inserts the requirement for county office candidates to report the gross dollar total of contributions received in excess of \$200 and the gross dollar total of contributions received \$200 and less.

Section 4, page 3, lines 21 through 23: It requires a candidate for a county office to file a year-end campaign contribution report regardless of whether they sought election during the year. This makes it consistent with the reporting requirements in all other sections of the chapter.

Section 5, page 4, lines 18 through 21 and page 5, lines 6 through 8: Creates the same reporting requirements for a candidate for a position in a city with a population of 5,000 or more, as was done in Section 4 for a county position.

**16.1-08.1-03.5. Direct expenditures - Passage or defeat of a measure or state political party building funds - Report required.**

1. This chapter does not prohibit the exercise by corporations, cooperative corporations, limited liability companies, and associations of the right to make expenditures and contributions for the purpose of promoting passage or defeat of initiated or referred measures, or for promoting any general political philosophy or belief deemed in the best interest of the employees, stockholders, patrons, or members of the corporation, cooperative corporation, limited liability company, or association other than a "political purpose" as defined by this chapter. Any corporation, cooperative corporation, limited liability company, or association that receives contributions pursuant to section 16.1-08.1-03.1 or spends money for the purpose of promoting passage or defeat of initiated or referred measures, other than a contribution to another person or measure committee promoting passage or defeat of an initiated or referred measure, shall file a statement pursuant to section 16.1-08.1-03.1 along with a statement listing the total amount of money spent for that purpose. The statements filed pursuant to section 16.1-08.1-03.1 must be filed with the secretary of state no later than the twelfth day before the date of the election in which the measure appears or would have appeared on the ballot complete from the beginning of that calendar year through the twentieth day before the date of the election. Statements showing the total amount of money spent for the purpose of promoting passage or defeat of initiated or referred measures must be filed with the secretary of state through the end of the calendar year in which the measure appeared on the ballot.
2. A corporation, cooperative corporation, limited liability company, or association may make a donation of property or money to a state political party or nonprofit entity affiliated with or under the control of a state political party for deposit in a separate and segregated fund. Money in the fund must be used exclusively by the state political party or nonprofit entity affiliated with or under the control of a state political party for purchasing, maintaining, or renovating a building and for the purchase of fixtures for the building. A state political party or nonprofit entity affiliated with or under the control of a state political party receiving a donation under this subsection shall file a statement with the secretary of state no later than the thirty-first day of January of each calendar year. The statement must include the name and mailing address of each donor, the amount of each donation, the date each donation was received, all expenditures made from the fund during the previous calendar year, and cash on hand in the fund at the start and close of the reporting period. Any income and financial gain generated from a building purchased, maintained, or renovated from donations authorized under this subsection and not otherwise authorized by law must be deposited in the building fund and must be reported when the political party or nonprofit entity files the statement required under this subsection.

**16.1-08.1-03.6. Contributions from federal campaign committee accounts or from contributions made to other candidates or former candidates limited.** Repealed by S.L. 2001, ch. 202, § 7.

**16.1-08.1-03.7. Political committees that organize and register according to federal law that make disbursements to nonfederal candidates, political parties, and political committees.** A political committee that organizes and registers according to federal law and makes a disbursement (in excess of two hundred dollars) to a nonfederal candidate seeking public office or to a political party or political committee in this state shall file a copy of that portion of the committee's (federal report) detailing the disbursement made to the candidate. The political committee shall file a copy of the committee's federal report with the secretary of state at the time of filing the report with the applicable federal agency. The report must include:

1. The name, mailing address, and treasurer of the political committee;



2. The recipient's name and mailing address; and
3. The date and amount of the disbursement made.

**16.1-08.1-03.8. Contributions statement required of multicandidate political committees.**

1. A multicandidate political committee, as described in section 16.1-08.1-01, that solicits or accepts contributions for any political purpose shall file statements as required by this section.
2. A multicandidate political committee shall file a statement containing the aggregated total of all contributions showing the name and mailing address of each contributor who contributed in excess of two hundred dollars in the aggregate to the committee during a reporting period, the aggregated amount of the reportable contributions in excess of two hundred dollars, and the date the last reportable contribution was received.
3. A multicandidate political committee required to file a statement under this section shall file the statement in the office of the secretary of state no later than the twelfth day before the date of any primary, special, or general election. The statement must be complete from the beginning of that calendar year through the twentieth day before the date of the primary, special, or general election. The political committee shall file a complete statement for the entire calendar year no later than the thirty-first day of January of the following year in which the political committee received a reportable contribution.
4. Even if a multicandidate political committee has not received any contribution in excess of two hundred dollars during the reporting period, the political committee shall file a statement as required by this chapter. A statement filed according to this section during the reporting period must show the following:
  - a. The gross total of all contributions received in excess of two hundred dollars;
  - b. The gross total of all contributions received of two hundred dollars, or less; and
  - c. The cash on hand in the filer's account at the start and close of the reporting period.
5. A multicandidate political committee shall report the occupation, employer, and principal place of business of each person, or the political committee if not already registered according to state or federal law, who contributed five thousand dollars or more in the aggregate during the reporting period.

**16.1-08.1-03.9. Contribution statements of judicial district candidates or a candidate committee for a judicial district candidate.**

1. A judicial district candidate or a candidate committee for a judicial district candidate shall make and file a statement in accordance with this section. The candidate or candidate committee shall include in the statement:
  - a. The name and mailing address of all contributors who made contributions in excess of two hundred dollars in the aggregate for the purpose of influencing the nomination for election, or election, of the candidate;
  - b. The aggregated amount of the contributions from each listed contributor;
  - c. The date the last contribution was received from each listed contributor;

Proposed Amendments to House Bill No. 1490

Page 1, line 2, replace the first comma with "and" and remove ", and section 16.1-08.1-03.10 and"

Page 1, line 3, remove "16.1-08.1-03.11"

Page 2, remove lines 21 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 19