

**Testimony HB 1451 - Support**  
**House Political Subdivisions Committee**  
February 12, 2021

Mr. Chairman and members of the House Political Subdivisions Committee, my name is Ellen Chaffee. I live in Bismarck and I am providing testimony as a private citizen. I support HB 1451.

North Dakota government is committed to transparency, and rightly so. Many of us appreciate the Legislative Assembly's leadership in this regard and the improvements you've made in recent years regarding campaign finance disclosure. I believe that HB 1451 is consistent with your values as well as mine.

Candidates have been reporting their contributors to the state's campaign finance system for many years. PACs, political parties, and initiated measure sponsoring committees report both contributions and expenditures. HB 1451 does not change any of that.

Only one group is not required to report its contributors - Independent Expenditures. Arising in just the past decade, Independent expenditures have enabled people, organizations, and corporations to spend unlimited amounts of money to influence elections in secret. Therefore, voters cannot assess the integrity and motives of behind powerful campaign ads. Voters cannot even be sure that the spenders are Americans, rather than foreigners attempting to interfere in our elections and government. Organizations that make "independent expenditures" must be held to the same transparency standards as other political spenders, so that they cannot be used as a tool for concealing the true sources of money spent to influence North Dakota elections.

Independent expenditure groups have accounted for over \$20 million dollars of spending to influence North Dakota elections in the last four election cycles, and no one knows where all that money came from. "Independent" should not mean "anonymous" when it comes to influencing our elections.

Anonymous cannot be held accountable. Here is an example of a 2020 independent expenditure in North Dakota.



This 2020 ad is against your own proposed constitutional amendment for the State Board of Higher Education to have 15 members with six-year terms. Despite its claims, I have no idea how the backers imagine such changes could hurt students, alumni, the economy, and taxpayers. How could it give faraway bureaucrats control of a student's education or deprive local communities of control? In this ad, a group called Vote No on Measure 1 accuses the legislature of aiming to expand big government and harm higher education. Who ARE these people? I'd like to know, you deserve to know, and North Dakota voters have a right to know. This group failed to make a required campaign finance report to the Secretary of State but even if it had done so, all we would know is what it spent, not who paid for them.

Groups must not be used as shields. The next example is from a 2018 group opposing the North Dakotans for Public Integrity (NDPI) measure that became Article XIV of the state Constitution. Opponents hit hard that this campaign used out of state funds.

The sponsors of the ad, North Dakotans for Sound Government (NDSG), claimed that Article XIV would overrule all other rights in the constitution, create a new unaccountable layer of government, and cost millions. Neither the fiscal note nor the first two years of experience come close to validating any of those claims. Who ARE these people, so careless with the truth? They complain about out-of-state interests funding the pro- amendment campaign, which they know because state law - your law - requires disclosing contributors to pro-measure campaigns. Are the donors to this ad from out of state as well? Without HB 1451, we have no way of knowing.

Let me explain that, because NDSG did report both contributors and expenditures to Campaign Finance online. Here are three of their 20 contributors -

<a href="#">Americans for Prosperity</a>	1310 N Courthouse Rd Suite 700 Arlington, VA 22201
<a href="#">Associated General Contractors of North Dakota</a>	422 North 2nd Street Bismarck, ND 58501
<a href="#">Basin Electric Power Cooperative</a>	1717 E Interstate Ave Bismarck, ND 58503

**SHADY MEASURE 1**  
AND OUT-OF-STATE SPECIAL INTERESTS WILL **CHANGE** OUR NORTH DAKOTA.

- X** Will override all other rights and protections in the North Dakota Constitution
- X** Will create a new unaccountable layer of government that will cost our state millions
- X** Is carelessly written by elite out-of-state interests

**NO ON MEASURE 1**  
KEEP OUR NORTH DAKOTA

**VOTE NO ON MEASURE 1**

PAID FOR BY NORTH DAKOTANS FOR SOUND GOVERNMENT, GEOF SIMON, CHAIRMAN

Clearly, one of their contributors is from out of state, but all the rest have North Dakota addresses. The question for many of them, though, is where did they get the money they contributed in their own name? Did the Greater North Dakota Chamber take \$100,000 out of member dues, or did others contribute to a special GNDC fund? Same

for the \$60,000 from the ND Petroleum Council? Did any of them pass through funds from other states, even other nations? We have no way of knowing because they were not required to report the original source of funds.

NDPI, the sponsors of the amendment, voluntarily disclosed the original source of its contributions, as shown here:

<a href="#">Represent Us</a>	<a href="#">Sub-Contributors</a>	PO Box 60008 Florence, MA 01062	09/07/18
<a href="#">Voters Right to Know</a>	<a href="#">Sub-Contributors</a>	28 Liberty Ship Way Sausalito, CA 94965	09/09/18
<a href="#">End Citizens United</a>	<a href="#">Sub-Contributors</a>	PO Box 66005 Washington, DC 66005	09/09/18

Clicking on the “Sub-Contributors” column reveals the names and addresses of individual “persons,” as defined in North Dakota law and HB 1451, who gave the money that these organizations are reporting - they are the ultimate and true source. And that’s how easy it is to implement full transparency of contributors to independent expenditures - it has been done within our existing system simply by disclosing sub-contributors.

Knowing who cares enough about a person or issue to spend money in support or opposition is a cornerstone of responsible decision-making by voters and public officials. Seeing friends or others you agree with taking out their wallets to back an ad or mailing can be far more persuasive than anything on the document itself. And vice versa. Please recommend DO PASS on House Bill 1451.