Campaign Finance Reform

HB 1377

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Goals

- Transparency
  - Allows for more logical "checkbook" style viewing
  - Beginning & Ending Balances tracking over time
- Ease of reporting for users.
  - System (not user) tracks and aggregates contributions and expenditures.
  - No additional (outside of system) tracking needed by user.
  - Allows for more logical "checkbook" style tracking

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Definitions

- Better defined measure committee to allow an entity to register if they're supporting/opposing an initiative measure or petition.
- Changed expenditure category to expenditure purpose and removed categories.
- Additional language in political purpose to expand ability to use candidate campaign funds.
- Removed unnecessary timeline under political purpose definition

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Structure / Changes

- **This proposal:**
  1. Does not require filers to file more frequently
  2. Allows user the ability to track all funds in one system throughout life of campaign account
  3. Protects individual entries for contributions/expenditures below thresholds (displayed in aggregate) from open records.

- Changed all "received" language to "deposited" for increased clarity by users.
  - Potential for decreased 48-hour reportability dependent on date of deposit.

- $200 thresholds increased to $250 for all entities except ballot measure/petitions which remain at $100.

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Pre-Election, Supplemental, Year End Reporting

- Does not increase reporting frequency – only candidates or parties with endorsed candidates need to file the Pre-Primary and Pre-General.
  - Pre-Primary: January 1 through **April 30** file by May 7
  - Pre-General: May 1 through **September 30** file by October 7
  - Year-End: October 1 through December 31 file by January 31

- Removes expenditure categories.

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Pre-Election, Supplemental, Year End Reporting

Beginning / Ending Balance

$ Users to report **all** contributions and expenditures no matter the amount. Only those that meet the threshold of $250 are itemized for public viewing. System will provide typical categories for use, however user can make their own entry as well

Added a provision keeping contributions and expenditures under threshold exempt from open records requests.

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Federal PACs and Property

- **AG Federal PAC Opinion**
  - Requires Federal PACs contributing to non-federal candidates in ND elections to report on same schedule as candidates and committees.
  - Requires Federal PACs to also file federal report to ND on federal timeline.
  - Allows Federal PACs to only report in years in which they are contributing or expending dollars in ND.

- **Exempt Property**
  - Exempts Governor's Residence from property definition to provide flexibility in political activities.

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Application Date

- Effective date of January 1, 2026.
- Allows for candidates and committees to follow one set of laws for the reporting period
- New system and laws in place for 2026 election cycle.
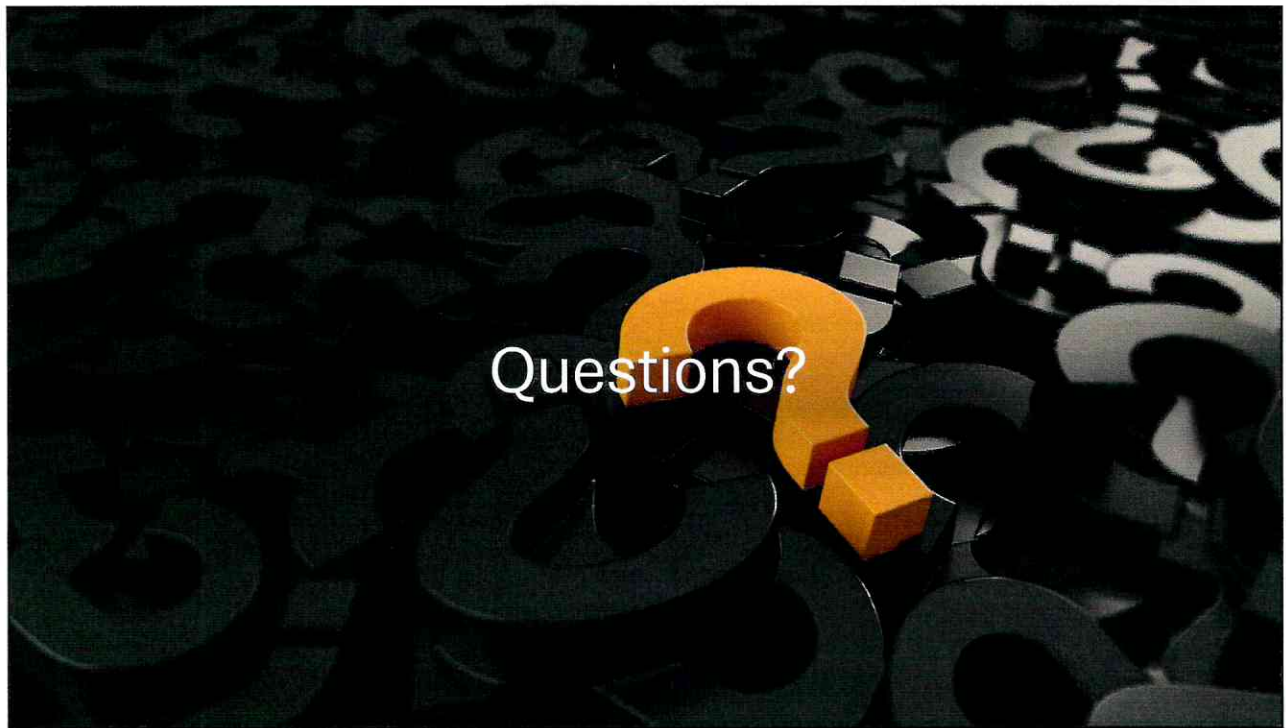
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Advantages:

- System aggregates/tracks the transactions for the user, including reporting aggregated/individual thresholds.

- Any "amendment" can be made by the user on the individual entry and the system will make adjustments to impacted reports and balances. No need to go back to previous reports to adjust – system will make change and mark reports as "amended." This even applies if you go back multiple years … it will adjust balances forward to current date.

- System to have "Save and Continue" feature to allow users to edit or upload transactions as they're deposited/expended. Entered transactions are only sent to PUBLIC side for viewing once user submits a "report" during reporting cycle – no need for multiple systems to track transactions. User controls the release of transactions to public side during reporting.

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Fines / Penalties

- Increased fines for failure to file or to amend a report:
  - Within 6 days increase from $25 to $100
  - Within 11 days increase from $50 to $250
  - Thereafter increase from $100 to $500

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Questions?

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