

2015 SENATE GOVERNMENT AND VETERANS AFFAIRS

SCR 4022

2015 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee

Missouri River Room, State Capitol

SCR 4022
2/19/2015
Job # 24145

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A concurrent resolution directing the Legislative Management to study election and lobbying laws.

Minutes:

Attachments 1

Chairman Dever: Opened the hearing on SCR 4022.

Senator J. Lee, District 13: Testified as sponsor and in support of the resolution. We have recognized in recent elections that there are some areas that maybe seem to be sort of gray as far as the laws are concerned. We have had some discussions and I think there are some things that need to be updated. This resolution really talks about the fact that it is time for us to look those issues over. There have been changes in technology, where we vote, how we vote. I believe there has never been a study on election and lobbying laws, and I believe it would be a good thing to do.

(1:35) Chairman Dever: Did you have conversations with the Secretary of State's office about this? I noticed that they are not in the room.

Senator Lee: I have not and it just occurred to me. It is not a reflection of the job that they are doing or any criticism. He is imposing the laws that we have. The problem is that the laws that we have are not clear in some cases. It is not a reflection in any way on what the Secretary of State might have done. We might decide that what we have in statute is ok. Some of it clearly is not clear and it seemed like it would be a good idea to consider looking it over at a time where it is purely business. We want to protect the interests of citizens as well as the candidates. I had no ax to grind on this at all and no motive other than wanting to do the study.

Senator Nelson: I think there are some things we need to look at in the enforcement area.

Senator Lee: Exactly, we are not looking at making things harsh in any way. We are trying to make sure that people who are qualified electors can actually vote and they can run for office, and that the voting process would be the smoothest way possible recognizing the urban and rural county needs. It is intended to be entirely an open question.

(4:35) Rod St. Aubyn, Self: See Attachment #1 for testimony in support of the bill.

(13:50) Senator Cook: In my 20 years of serving in the legislature I have seen more false allegations of corrupt practices than I have seen actual laws being broken. Do you think this study ought to include them also?

Rod St. Aubyn: I concur with that and I think that would be good to look at in perspective to some of the other issues. There are times that there are allegations that are totally unfounded. I talked about Facebook with Senator Lee and what has happened is that we have not brought election laws up to new technology and things that have happened. When we were doing a Facebook think, I was not sure if it is technically a website and what laws cover it. There is no fee to that but we did not want to be accused falsely of not having the disclaimer on there. I contacted the Secretary of State's office just to find out and they said that they did not know how that would be interpreted.

Chairman Dever: I remember when we added the word "website" to the sentence that you read, its intention I think was "internet". Maybe it should say social media?

Rod St. Aubyn: Even that; the disclaimer says "it is paid for by" but there are no fees.

(16:54) Donnell Presky, North Dakota Association of Counties: Testified in support of the resolution. I serve as the director for the auditor association and we support this study.

(17:05) Chairman Dever: Are there some issues that the auditors feel particularly need to be included?

Donnell Presky: I think that the study would be useful for future elections. There are other bills on the House side that got turned into studies regarding election law, so, it must be an issue that is on the minds of many.

Chairman Dever: it seems to me that candidates that feel the law has been violated, it is by their opponent. Sometimes the complaints go to the county auditors.

Donnell Presky: I am not familiar with any of those circumstances.

Chairman Dever: Closed the hearing on SCR 4022.

Senator Flakoll: Moved a Do Pass.

Senator Nelson: Seconded.

A Roll Call Vote Was Taken: 7 yeas, 0 nays, 0 absent.

Motion Carried.

Senator Poolman will carry the bill.

2/19

Date:
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 4022

Senate Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Flakoll Seconded By Nelson

Senators	Yes	No	Senators	Yes	No
Chairman Dever	✓		Senator Marcellais	✓	
Vice Chairman Poolman	✓		Senator Nelson	✓	
Senator Cook	✓				
Senator Davison	✓				
Senator Flakoll	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Poolman

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

REPORT OF STANDING COMMITTEE

SCR 4022: Government and Veterans Affairs Committee (Sen. Dever, Chairman)
recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
SCR 4022 was placed on the Eleventh order on the calendar.

2015 HOUSE GOVERNMENT AND VETERANS AFFAIRS

SCR 4022

2015 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Fort Union, State Capitol

SCR 4022
3/19/2015
Job # 25102

- Subcommittee
 Conference Committee

Committee Clerk Signature

Beckie Sturge

Explanation or reason for introduction of bill/resolution:

Directing the Legislative Management to study election and lobbying laws

Minutes:

Attachment 1 & 2

Chairman Kasper opened the hearing on SCR 4022.

Senator Judy Lee, District 13: Introduced SBR 4022, concerning election and lobbying laws, in regards to clarification to candidates and citizens on the process. Testified in support of SCR 4022.

Vice Chair Rohr took over the chair while Chairman Kasper went to testify on a bill.

Rod St. Aubyn: Testified in support of SCR 4022. (1:50 - 10:40)
(Testimony #1)

11:13-11:33

Jim Silrum, Deputy Secretary of State: (Attachment #2) We support a study of elections and lobbying.

Rep. Louser: Is there a difference or a requirement to disclose "paid for by..." on yard signs or billboards?

Jim Silrum: No, there is no difference. Often the advice to anyone who asks that question will be to err on the side of disclosing that information.

Rep. Laning: In small campaigns, often the financing is done by the candidate. Is the requirement still the same?

Jim Silrum: With regards to campaign finance disclosure, if you are using money out of your own funds, not contributions from anyone else, you do not have to disclose those according to North Dakota law. If you are promoting yourself as a candidate, the law says you must disclose who paid for the advertisement.

Rep. Karls: Just to clarify, if he is using money out of his own pocket, spending over \$200 dollars - he doesn't need to disclose that on his disclosure forms? But he does need to put a disclaimer on his sign?

Jim Silrum: Yes, you are correct. North Dakota law states when you use your own funds for campaign purposes you do not need to disclose. Candidates only disclose their contributions received. We see it as a separate issue when it comes to providing a disclaimer on a billboard or sign.

16:35

Rep. Wallman: If I opened an account with my own money and called the account "Kris Wallman for District 11", then I could have "paid for by Kris Wallman for District 11" on my literature, and I would be paying for it?

Jim Silrum: That is correct how you described it.

Rod St. Aubyn: The Secretary of State's office has a campaign booklet that's available that is a guideline.

Vice Chair Rohr: Mr. Silrum, in your testimony, you mentioned it's been many years since the lobbying and election laws were looked at, do you know when the last time a study occurred?

Rod St. Aubyn: I don't think it has ever.

Rep. Steiner: Do you know when they changed the lobbying amount for buying dinner from \$50 to \$60?

Rod St. Aubyn: I don't recall the specific time, but yes I do think there has been a couple changes.

Jim Silrum: At least 3 or 4 sessions

NO OPPOSITION

NO NEUTRAL TESTIMONY

The hearing was closed.

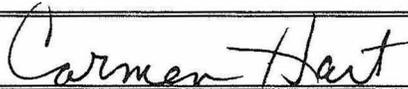
2015 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee
Fort Union, State Capitol

SCR 4022
3/27/2015
25559

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Directing the Legislative Management to study election and lobbying laws

Minutes:

Chairman Kasper opened the meeting on SCR 4022. We have had numerous bills this session before this committee and the floor of the House killed dealing with election and lobbying laws. In the 2013 session, we had a complete rewrite of the election and lobbying laws in SB 2369. We passed a bill that is going to study whether or not we ought to go to voter registration, and this seems to me to be sort of all of that wrapped into one that we have already dealt with.

Rep. Dockter made a motion for a DO NOT PASS.

Vice Chair Rohr seconded the motion.

Rep. Wallman Do we know what the status of all those other bills are before we put this one down?

Chairman Kasper I know that we killed most of them on the floor of the House. I do not know where the voter ID and the voter registration bills are at in the Senate.

Rep. Laning I think some of our discussion was that a little more time on the previously passed laws in 2013 would be advantageous too as far as getting people use to what is in law right now.

A roll call vote was taken. 8 Yeas, 6 Nays, 0 Absent.

Rep. Laning will carry the bill.

Date: 3-27-15
 Roll Call Vote #: 1

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. H022**

House Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Dockter Seconded By Rohr

Representatives	Yes	No	Representatives	Yes	No
Chairman Jim Kasper	X		Rep. Bill Amerman	X	
Vice Chair Karen Rohr	X		Rep. Gail Mooney		X
Rep. Jason Dockter	X		Rep. Mary Schneider		X
Rep. Mary C. Johnson		X	Rep. Kris Wallman		X
Rep. Karen Karls	X				
Rep. Ben Koppelman	X				
Rep. Vernon Laning	X				
Rep. Scott Louser		X			
Rep. Jay Seibel		X			
Rep. Vicky Steiner	X				

Total (Yes) 8 No 6

Absent _____

Floor Assignment Laning

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

REPORT OF STANDING COMMITTEE

SCR 4022: Government and Veterans Affairs Committee (Rep. Kasper, Chairman)
recommends **DO NOT PASS** (8 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING).
SCR 4022 was placed on the Fourteenth order on the calendar.

2015 TESTIMONY

SCR 4022

Testimony on SCR 4022
Senate Government and Veterans Affairs Committee
February 19, 2015

Chairman Dever and committee members, for the record I am Rod St. Aubyn representing myself today. During this past election season and again during this current legislative session, I noted several election and lobbying issues surface.

I will first describe some of the issues that should be addressed.

- **Campaign Contribution Disclosure Laws** – Chapter 16.1-08.1 of the Century Code covers the requirements for campaign contribution statements. It was discovered that several entities opposing Measure 7 (Repeal of Pharmacy Ownership Law) failed to report their contributions. Once that fact was published, several entities quickly filed the required reports. State law does provide a late fee up to \$100 or \$200 for late amended forms that can be assessed for late reporting of these reports. The ultimate penalty is a Class A misdemeanor, but the odds that a local state's attorney would take the time to prosecute is very slim. There also exists the possibility of an audit being done at the request of the Secretary of State if he/she determines that "a substantial irregularity is evident or reasonably alleged." The entity could be assessed "a fine to the secretary of state equal to two hundred percent of the aggregate of contributions and expenditures found to be in violation or an amount sufficient to pay the cost of the audit, whichever is greater." There were allegations of violations of this law with Measure 1, Measure 6, and Measure 7 during this past election. To my knowledge there were no fines assessed or audits initiated.
- **Corrupt Practices Law** – The ND Century Code defines the Corrupt Practices in Chapter 16.1-10. There are several acts that are defined as a corrupt practice, but one of them is when a person "Expends any money for election purposes contrary to the provisions of this chapter." This is the chapter that requires the disclaimer that must be posted on any advertisement in any "newspaper, pamphlet or folder, display card, sign, poster, or billboard, website, or by any other similar means, on behalf of or in opposition to any candidate for public office, designed to assist, injure, or defeat the candidate by reflecting upon the candidate's personal character or political action, or by a measure committee, or a corporation making a direct expenditure either for or against a measure, must disclose on the advertisement the name of the person, as defined in Section 16.1-08.1-01 or political party paying for the advertisement." I received several cards regarding Measure 5 that clearly violated this law. I also saw violations with several candidates' campaign material and yard signs. And as far as websites, does a candidate's Campaign Facebook page require a disclaimer? And the penalties established by law are unrealistic. It states that if a person is found guilty of any corrupt practice, the person must be punished by being deprived of the person's government job, or the person's nomination or election must be declared void, as the case may be. Once again, how realistic is it that the state's attorney would prosecute for these violations?

- **Residency Laws** – Residency laws dealing with candidates and legislators also have been and currently are a problem. I have seen several bills trying to address some of these residency issues. Whether any of these pass this session is not known at this time. However, these issues should be studied during the next interim.
- **Lobbying Laws** – Lobbyists have several laws that they must be in compliance with. Registration, Lobbyist Authorization Forms, Political Contribution reporting, expenditure reporting, and other items. However, how do we know if lobbyists are in compliance? There have been violations of people registering as a lobbyist. I was told of one lobbyist that was lobbying all summer and did not register to lobby until at least a month after the current legislative session started. Does anyone really check the names on the registration sheets in committee rooms in comparison with the lists of registered lobbyists? How do we know that a lobbyist remains in compliance with other required laws? I honestly don't think that we have major problems with lobbying violations, but how do we really know?

I really think it is in the Legislature's best interest to take a look at our election and lobbying laws. To my knowledge it has been many years since we have taken a serious look at these laws to see if they need updating and explore realistic penalties for violations. Legislators have introduced bills in the past dealing with some of these issues. Some of these bills have passed, many more have been killed. I feel that the most effective process would be to take a comprehensive and deliberate look at these laws. Most situations do not need to be prosecuted in a court, but how to effectively enforce compliance should be seriously studied by our legislature.

Mr. Chairman and committee members, thank you for giving me an opportunity to address you this morning. I urge you to give Senate Concurrent Resolution Number 4022 a Do Pass recommendation and that this subject given a serious and a non-partisan review. I would be willing to answer your questions.

#1 4022
3-19-15

Testimony on SCR 4022
House Government and Veterans Affairs Committee
March 19, 2015

Chairman Kasper and committee members, for the record I am Rod St. Aubyn representing myself today. During this past election season and again during this current legislative session, I noted several election and lobbying issues surface.

I will first describe some of the issues that should be addressed.

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2 4022
3-19-15

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March 19, 2015

TO: Chairman Jim Kasper and members of the House Government and Veteran's Affairs Committee

FR: Jim Silrum, Deputy Secretary of State, on behalf of Secretary of State Al Jaeger

RE: SCR 4022 – Study of Elections and Lobbying

The Secretary of State's office supports the study of elections and lobbying.