

HOUSE BILL NO. 1191

Introduced by

Representatives Devlin, Becker, Bellew, Boschee, Mock, Pollert, Vigesaa

Senators Heckaman, Klein, Wanzek, Wardner

1 A BILL for an Act to amend and reenact sections 16.1-08.1-02.3, 16.1-08.1-03.5, and
2 16.1-08.1-03.7 of the North Dakota Century Code, relating to reporting expenditures in support
3 of or opposition to candidates; and to provide a penalty.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 16.1-08.1-02.3 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **16.1-08.1-02.3. Pre-election, supplemental, and year-end campaign disclosure**
8 **statement requirements for candidates, candidate committees, multicandidate**
9 **committees, and nonstatewide political parties.**

10 1. Prior to the thirty-first day before a primary, general, or special election, a candidate or
11 candidate committee formed on behalf of the candidate, a multicandidate political
12 committee, or a political party other than a statewide political party soliciting or
13 accepting contributions shall file a campaign disclosure statement that includes all
14 contributions received from January first through the fortieth day before the election. A
15 candidate whose name is not on the ballot and who is not seeking election through
16 write-in votes, the candidate's candidate committee, and a political party that has not
17 endorsed or nominated any candidate in the election is not required to file a statement
18 under this subsection. The statement may be submitted for filing beginning on the
19 thirty-ninth day before the election. The statement must include:

20 a. For each aggregated contribution from a contributor which totals in excess of two
21 hundred dollars received during the reporting period:

- 22 (1) The name and mailing address of the contributor;
23 (2) The total amount of the contribution; and
24 (3) The date the last contributed amount was received;

- 1 b. The total of all aggregated contributions from contributors which total in excess of
2 two hundred dollars during the reporting period;
- 3 c. The total of all contributions received from contributors that contributed two
4 hundred dollars or less each during the reporting period; ~~and~~
- 5 d. For a statewide candidate, a candidate committee formed on behalf of a
6 statewide candidate, and a statewide multicandidate committee, the balance of
7 the campaign fund on the fortieth day before the election and the balance of the
8 campaign fund on January first; and
- 9 e. If the entity filing the statement is a multicandidate political committee, for each
10 expenditure in excess of two hundred dollars made during the reporting period:
- 11 (1) The applicable expenditure category;
- 12 (2) The amount of the expenditure; and
- 13 (3) Whether the expenditure was made to support or oppose a candidate and, if
14 so, the name of the candidate.
- 15 2. Beginning on the thirty-ninth day before the election through the day before the
16 election, a person that files a statement under subsection 1 ~~must~~shall file a
17 supplemental statement within forty-eight hours of the start of the day following the
18 receipt of a contribution or aggregate contribution from a contributor which is in excess
19 of five hundred dollars. The statement must include:
- 20 a. The name and mailing address of the contributor;
- 21 b. The total amount of the contribution received during the reporting period; and
- 22 c. The date the last contributed amount was received.
- 23 3. Beginning on the thirty-ninth day before the election through the day before the
24 election, a multicandidate political committee that files a statement under subsection 1
25 shall file a supplemental statement within forty-eight hours of the start of the day
26 following an expenditure or aggregate expenditure to a recipient which is in excess of
27 five hundred dollars. The statement must include:
- 28 a. The applicable expenditure category;
- 29 b. The amount of the expenditure; and
- 30 c. Whether the expenditure was made to support or oppose a candidate, and, if so,
31 the name of the candidate.

- 1 4. Prior to February first, a candidate or candidate committee, a multicandidate political
2 committee, or a nonstatewide political party soliciting or accepting contributions shall
3 file a campaign disclosure statement that includes all contributions received and
4 expenditures, by expenditure category, made from January first through December
5 thirty-first of the previous year. The statement may be submitted for filing beginning on
6 January first. The statement must include:
- 7 a. For a statewide candidate, a candidate committee formed on behalf of a
8 statewide candidate, and a statewide multicandidate committee, the balance of
9 the campaign fund on January first and on December thirty-first;
- 10 b. For each aggregated contribution from a contributor which totals in excess of two
11 hundred dollars received during the reporting period:
- 12 (1) The name and mailing address of the contributor;
- 13 (2) The total amount of the contribution; and
- 14 (3) The date the last contributed amount was received;
- 15 c. The total of all aggregated contributions from contributors which total in excess of
16 two hundred dollars during the reporting period;
- 17 d. The total of all contributions received from contributors that contributed two
18 hundred dollars or less each during the reporting period; ~~and~~
- 19 e. The total of all other expenditures made during the previous year, separated into
20 expenditure categories; and
- 21 f. If the entity filing the statement is a multicandidate political committee, for each
22 expenditure in excess of two hundred dollars made during the reporting period:
- 23 (1) The applicable expenditure category;
- 24 (2) The amount of the expenditure; and
- 25 (3) Whether the expenditure was made to support or oppose a candidate and, if
26 so, the name of the candidate.
- 27 4.5. A person required to file a statement under this section, other than a candidate for
28 judicial office, county office, or city office, or a candidate committee for a candidate
29 exempted under this subsection, shall report each aggregated contribution from a
30 contributor which totals five thousand dollars or more during the reporting period. For

1 these contributions from individuals, the statement must include the contributor's
2 occupation, employer, and the employer's principal place of business.

3 ~~5-6.~~ A candidate for city office in a city with a population under five thousand and a
4 candidate committee for the candidate are exempt from this section.

5 ~~6-7.~~ A candidate for county office and a candidate committee for a candidate for county
6 office shall file statements under this chapter with the county auditor. A candidate for
7 city office who is required to file a statement under this chapter and a candidate
8 committee for such a candidate shall file statements with the city auditor. Any other
9 person required to file a statement under this section shall file the statement with the
10 secretary of state.

11 ~~7-8.~~ The filing officer shall assess and collect fees for any reports filed after the filing
12 deadline.

13 ~~8-9.~~ To ensure accurate reporting and avoid commingling of campaign and personal funds,
14 candidates shall use dedicated campaign accounts that are separate from any
15 personal accounts.

16 **SECTION 2. AMENDMENT.** Section 16.1-08.1-03.5 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **16.1-08.1-03.5. Corporate contributions and expenditures - Statement required.**

19 1. Corporations, cooperative corporations, limited liability companies, affiliates,
20 subsidiaries, and associations may make expenditures and contributions for promoting
21 any general political philosophy or belief deemed in the best interest of the employees,
22 stockholders, patrons, or members of the corporation, cooperative corporation, limited
23 liability company, affiliate, subsidiary, or association other than a "political purpose" as
24 defined by this chapter. A corporation, cooperative corporation, limited liability
25 company, affiliate, subsidiary, or association may not make a contribution for a political
26 purpose.

27 2. A corporation, cooperative corporation, limited liability company, affiliate, subsidiary, or
28 association may make a donation of property or money to a state political party or
29 nonprofit entity affiliated with or under the control of a state political party for deposit in
30 a separate and segregated building fund.

- 1 3. A corporation, cooperative corporation, limited liability company, affiliate, subsidiary, or
2 association may make an expenditure to a measure committee as described in section
3 16.1-08.1-01 for the purpose of promoting the passage or defeat of an initiated or
4 referred measure or petition or make an expenditure to any other person that makes
5 an independent expenditure. A corporation, cooperative corporation, limited liability
6 company, affiliate, subsidiary, or association may make an independent expenditure
7 for a political purpose, including political advertising in support of or opposition to a
8 candidate, political committee, or a political party, or for the purpose of promoting
9 passage or defeat of initiated or referred measures or petitions. The corporation,
10 cooperative corporation, limited liability company, affiliate, subsidiary, or association
11 shall file a statement disclosing any expenditure made under this subsection with the
12 secretary of state within forty-eight hours after making the expenditure. The statement
13 must include:
- 14 a. The full name of the corporation, cooperative corporation, limited liability
15 company, affiliate, subsidiary, or association;
 - 16 b. The complete address of the corporation, cooperative corporation, limited liability
17 company, affiliate, subsidiary, or association;
 - 18 c. The name of the recipient of the expenditure;
 - 19 d. If the expenditure is related to a measure or petition, the title of the measure or
20 petition and whether the expenditure is made in support of or opposition to the
21 measure or petition;
 - 22 e. If the expenditure is related to a measure, the election date on which the
23 measure either will appear or did appear on the ballot;
 - 24 f. If the expenditure is related to a candidate, the name of the candidate and
25 whether the expenditure is made in support of or opposition to the candidate:
 - 26 g. The amount of the expenditure;
 - 27 g-h. The cumulative total amount of expenditures since the beginning of the calendar
28 year which are required to be reported under this subsection;
 - 29 h-i. The telephone number and the printed name and signature of the individual
30 completing the statement, attesting to the statement being true, complete, and
31 correct; and

1 i.j. The date on which the statement was signed.

2 **SECTION 3. AMENDMENT.** Section 16.1-08.1-03.7 of the North Dakota Century Code is
3 amended and reenacted as follows:

4 **16.1-08.1-03.7. Political committees that organize and register according to federal**
5 **law that make independent expenditures or disbursements to nonfederal candidates,**
6 **political parties, and political committees.**

7 A political committee that organizes and registers according to federal law and makes an
8 independent expenditure or makes a disbursement in excess of two hundred dollars to a
9 nonfederal candidate seeking public office or to a political party or political committee in this
10 state shall file a copy of that portion of the committee's federal report detailing the independent
11 expenditure or the disbursement made. The political committee shall file a copy of the
12 committee's federal report, and supplementary information as necessary under this section, with
13 the secretary of state at the time of filing the report with the applicable federal agency. The
14 report and supplementary information must include:

- 15 1. The name, mailing address, and treasurer of the political committee;
- 16 2. The recipient's name and mailing address;
- 17 3. The date and amount of the independent expenditure or disbursement;
- 18 4. If the expenditure is related to a candidate, the name of the candidate and whether the
19 expenditure is made in support of or opposition to the candidate; and
- 20 4.5. The ultimate and true source of funds listed by contributor and subcontributor of any
21 amount over two hundred dollars collected or used to make the independent
22 expenditure or disbursement including:
- 23 a. The name and address of the contributor;
- 24 b. The total amount of the contribution; and
- 25 c. The date the last contribution was received.