

**HOUSE BILL NO. 1257
with Senate Amendments
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Introduced by

Representatives Conmy, Dyk, Hanson, Heinert, Murphy, Schneider, Schreiber-Beck,
Swiontek

Senators Beard, Braunberger

1 A BILL for an Act to amend and reenact sections 15.1-09-08, 16.1-08.1-02.3, and 16.1-08.1-05
2 of the North Dakota Century Code, relating to campaign contribution statements for candidates
3 seeking a school district office.

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

5 **SECTION 1. AMENDMENT.** Section 15.1-09-08 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15.1-09-08. School district elections - Candidate filings.**

8 An individual seeking election to the board of a school district shall prepare and sign a
9 document stating the individual's name and the position for which that individual is a candidate.
10 A candidate shall also file a statement of interests as required by section 16.1-09-02. Whether
11 or not the election is held in conjunction with a statewide election, ~~these documents~~all
12 statements of interest must be filed with the school district business manager, or mailed to and
13 in the possession of the business manager, by four p.m. of the sixty-fourth day before the
14 election. A candidate shall also file a campaign contribution statement as required by section
15 16.1-08.1-02.3.

16 **SECTION 2. AMENDMENT.** Section 16.1-08.1-02.3 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **16.1-08.1-02.3. Pre-election, supplemental, and year-end campaign disclosure**
19 **statement requirements for candidates, candidate committees, multicandidate**
20 **committees, and nonstatewide political parties.**

21 1. Prior to the thirty-first day before a primary, general, or special election, a candidate or
22 candidate committee formed on behalf of the candidate, a multicandidate political
23 committee, or a political party other than a statewide political party soliciting or

1 accepting contributions shall file a campaign disclosure statement that includes all
2 contributions received from January first through the fortieth day before the election. A
3 candidate whose name is not on the ballot and who is not seeking election through
4 write-in votes, the candidate's candidate committee, and a political party that has not
5 endorsed or nominated any candidate in the election is not required to file a statement
6 under this subsection. The statement may be submitted for filing beginning on the
7 thirty-ninth day before the election. The statement must include:

- 8 a. For each aggregated contribution from a contributor which totals in excess of two
9 hundred dollars received during the reporting period:
- 10 (1) The name and mailing address of the contributor;
 - 11 (2) The total amount of the contribution; and
 - 12 (3) The date the last contributed amount was received;
- 13 b. The total of all aggregated contributions from contributors which total in excess of
14 two hundred dollars during the reporting period;
- 15 c. The total of all contributions received from contributors that contributed two
16 hundred dollars or less each during the reporting period; and
- 17 d. For a statewide candidate, a candidate committee formed on behalf of a
18 statewide candidate, and a statewide multicandidate committee, the balance of
19 the campaign fund on the fortieth day before the election and the balance of the
20 campaign fund on January first.

- 21 2. Beginning on the thirty-ninth day before the election through the day before the
22 election, a person that files a statement under subsection 1 must file a supplemental
23 statement within forty-eight hours of the start of the day following the receipt of a
24 contribution or aggregate contribution from a contributor which is in excess of five
25 hundred dollars. The statement must include:

- 26 a. The name and mailing address of the contributor;
- 27 b. The total amount of the contribution received during the reporting period; and
- 28 c. The date the last contributed amount was received.

- 29 3. Prior to February first, a candidate or candidate committee, a multicandidate political
30 committee, or a nonstatewide political party soliciting or accepting contributions shall
31 file a campaign disclosure statement that includes all contributions received and

1 expenditures, by expenditure category, made from January first through December
2 thirty-first of the previous year. The statement may be submitted for filing beginning on
3 January first. The statement must include:

- 4 a. For a statewide candidate, a candidate committee formed on behalf of a
5 statewide candidate, and a statewide multicandidate committee, the balance of
6 the campaign fund on January first and on December thirty-first;
- 7 b. For each aggregated contribution from a contributor which totals in excess of two
8 hundred dollars received during the reporting period:
- 9 (1) The name and mailing address of the contributor;
- 10 (2) The total amount of the contribution; and
- 11 (3) The date the last contributed amount was received;
- 12 c. The total of all aggregated contributions from contributors which total in excess of
13 two hundred dollars during the reporting period;
- 14 d. The total of all contributions received from contributors that contributed two
15 hundred dollars or less each during the reporting period; and
- 16 e. The total of all other expenditures made during the previous year, separated into
17 expenditure categories.

18 4. A person required to file a statement under this section, other than a candidate for
19 judicial office, county office, ~~or~~ city office, or school district office, or a candidate
20 committee for a candidate exempted under this subsection, shall report each
21 aggregated contribution from a contributor which totals five thousand dollars or more
22 during the reporting period. For these contributions from individuals, the statement
23 must include the contributor's occupation, employer, and the employer's principal
24 place of business.

25 5. A candidate for city office in a city with a population under five thousand and a
26 candidate committee for the candidate are exempt from this section. A candidate for
27 school district office in a school district with a fall enrollment of fewer than
28 one thousand students and a candidate committee for the candidate are exempt from
29 this section.

30 6. A candidate for county office and a candidate committee for a candidate for county
31 office shall file statements under this chapter with the county auditor. A candidate for

1 city office who is required to file a statement under this chapter and a candidate
2 committee for such a candidate shall file statements with the city auditor. A candidate
3 for school district office who is required to file a statement under this chapter and a
4 candidate committee for such a candidate shall file statements with the school district
5 business manager. Any other person required to file a statement under this section
6 shall file the statement with the secretary of state.

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

9 8. To ensure accurate reporting and avoid commingling of campaign and personal funds,
10 candidates shall use dedicated campaign accounts that are separate from any
11 personal accounts.

12 **SECTION 3. AMENDMENT.** Section 16.1-08.1-05 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **16.1-08.1-05. Audit by secretary of state - Requested audits - Reports.**

15 1. If a substantial irregularity is evident or reasonably alleged, the secretary of state may
16 arrange an audit of any statement filed pursuant to this chapter, to be performed by a
17 certified public accountant of the filer's choice, subject to approval by the secretary of
18 state. If an audit of a statement arranged by the secretary of state under this
19 subsection reveals a violation of this chapter, the candidate, political party, political
20 committee, or other person filing the statement shall pay a fine to the secretary of
21 state equal to two hundred percent of the aggregate of contributions and expenditures
22 found to be in violation or an amount sufficient to pay the cost of the audit, whichever
23 is greater. If an audit of a statement arranged by the secretary of state under this
24 subsection does not reveal a violation of this chapter, the cost of the audit must be
25 paid for by the secretary of state.

26 2. If a substantial irregularity is reasonably alleged, the secretary of state may arrange an
27 audit of any statement filed pursuant to this chapter, performed by a certified public
28 accountant of the filer's choice, subject to approval by the secretary of state, upon
29 written request by any interested party made to the secretary of state within thirty days
30 following receipt of a statement by the secretary of state. The request must be made in
31 writing, recite a substantial irregularity and a lawful reason for requesting an audit, and

1 be accompanied by a bond in an amount established by the secretary of state
2 sufficient to pay the cost of the audit. If an audit of a statement arranged by the
3 secretary of state under this subsection reveals a violation of this chapter, the
4 candidate, political party, or political committee filing the statement shall pay a fine to
5 the secretary of state equal to two hundred percent of the aggregate of contributions
6 and expenditures found to be in violation or an amount sufficient to pay the cost of the
7 audit, whichever is greater, and the bond shall be returned to the person submitting it.
8 If an audit of a statement arranged by the secretary of state under this subsection
9 does not reveal a violation of this chapter, the cost of the audit must be satisfied from
10 the bond filed with the secretary of state.

- 11 3. An audit may not be made or requested of a statement for the sole reason that it was
12 not timely filed with the secretary of state. An audit made or arranged according to this
13 section must audit only those items required to be included in any statement,
14 registration, or report filed with the secretary of state according to this chapter. The
15 secretary of state may collect any payment obligation arising out of this section by civil
16 action or by assignment to a collection agency, with any costs of collection to be
17 added to the amount owed and to be paid by the delinquent filer. Any remaining
18 moneys collected by the secretary of state after an audit is paid for under this section
19 must be deposited in the state's general fund. This section does not apply to
20 statements filed by candidates or candidate committees for candidates for county or
21 city, or school district offices.