

Introduced by

Senator Magrum

Representative Hoverson

1 A BILL for an Act to create and enact a new section to chapter 16.1-08.1 of the North Dakota
2 Century Code, relating to large expenditure disclosure statements required of political
3 committees; to amend and reenact subsection 3 of section 16.1-08.1-03.5 and section
4 16.1-08.1-03.7 of the North Dakota Century Code, relating to independent expenditures; and to
5 provide a penalty.

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

7 **SECTION 1.** A new section to chapter 16.1-08.1 of the North Dakota Century Code is
8 created and enacted as follows:

9 **Large expenditure disclosure statements required of political committees.**

- 10 1. A political committee, whether registered with the state or federal government, making
11 any expenditure in excess of five thousand dollars shall file a statement disclosing the
12 expenditure made under this section with the secretary of state within forty-eight hours
13 after making the expenditure.
- 14 2. The statement must include:
- 15 a. The name of the recipient of the expenditure;
- 16 b. If the expenditure is related to a measure or petition, the title of the measure or
17 petition and whether the expenditure is made in support of or opposition to the
18 measure or petition;
- 19 c. If the expenditure is related to a measure, the election date on which the
20 measure either will appear or appeared on the ballot;
- 21 d. If the expenditure is in support of or opposition to a candidate, political party, or
22 political committee, the name of the candidate, political party, or political
23 committee for which the expenditure is made and whether it is in support of or
24 opposition to the candidate, political party, or political committee;

- 1 e. The purpose and tangible item created or acquired as a result of the expenditure;
2 f. The amount of the expenditure;
3 g. A list of all subcontributors that contributed in excess of one thousand dollars to
4 the political committee making the expenditure, including:
5 (1) The name and mailing address of the subcontributor;
6 (2) The total amount of the contribution; and
7 (3) The date the last contributed amount was received;
8 h. The telephone number and the printed name and signature of the individual
9 completing the statement, attesting to the statement being true, complete, and
10 correct; and
11 i. The date the statement was signed.
12 3. Subsequent expenditures that total five thousand dollars or more require an additional
13 statement that meets the requirements of subsection 2 to be filed with the secretary of
14 state within forty-eight hours after each subsequent five thousand dollar increment is
15 surpassed.
16 4. This section does not apply to candidate committees.

17 **SECTION 2. AMENDMENT.** Subsection 3 of section 16.1-08.1-03.5 of the North Dakota
18 Century Code is amended and reenacted as follows:

- 19 3. A corporation, cooperative corporation, limited liability company, affiliate, subsidiary, or
20 association may make an expenditure to a measure committee as described in section
21 16.1-08.1-01 for the purpose of promoting the passage or defeat of an initiated or
22 referred measure or petition or make an expenditure to any other person that makes
23 an independent expenditure. A corporation, cooperative corporation, limited liability
24 company, affiliate, subsidiary, or association may make an independent expenditure
25 for a political purpose, including political advertising in support of or opposition to a
26 candidate, political committee, or a political party, or for the purpose of promoting
27 passage or defeat of initiated or referred measures or petitions. The corporation,
28 cooperative corporation, limited liability company, affiliate, subsidiary, or association
29 shall file a statement disclosing any expenditure made under this subsection with the
30 secretary of state within forty-eight hours after making the expenditure. The statement
31 must include:

- 1 a. The full name of the corporation, cooperative corporation, limited liability
2 company, affiliate, subsidiary, or association;
- 3 b. The complete address of the corporation, cooperative corporation, limited liability
4 company, affiliate, subsidiary, or association;
- 5 c. The name of the recipient of the expenditure;
- 6 d. If the expenditure is related to a measure or petition, the title of the measure or
7 petition and whether the expenditure is made in support of or opposition to the
8 measure or petition;
- 9 e. If the expenditure is related to a candidate, the name of the candidate and
10 whether the independent expenditure or disbursement is made in support or
11 opposition to the candidate;
- 12 f. If the expenditure is related to a measure, the election date on which the
13 measure either will appear or did appear on the ballot;
- 14 f.g. The amount of the expenditure;
- 15 g-h. The cumulative total amount of expenditures since the beginning of the calendar
16 year which are required to be reported under this subsection;
- 17 i. The ultimate and true source of funds listed by contributor and subcontributor of
18 any amount over two hundred dollars collected or used to make the independent
19 expenditure or disbursement including:
- 20 (1) The name and address of the contributor;
21 (2) The total amount of the contribution; and
22 (3) The date the last contribution was received.
- 23 h-j. The telephone number and the printed name and signature of the individual
24 completing the statement, attesting to the statement being true, complete, and
25 correct; and
- 26 i-k. The date on which the statement was signed.

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

1 **16.1-08.1-03.7. Political committees that organize and register according to federal**
2 **law that make independent expenditures or disbursements to nonfederal candidates,**
3 **political parties, and political committees.**

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

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