Sixtieth Legislative Assembly of North Dakota In Regular Session Commencing Wednesday, January 3, 2007

HOUSE BILL NO. 1499 (Representative Berg) (Senator Stenehjem)

AN ACT to create and enact a new section to chapter 16.1-08.1 of the North Dakota Century Code, relating to campaign finance reporting; and to amend and reenact subsections 8 and 10 of section 16.1-08.1-01 and subdivision a of subsection 2 of section 16.1-10-02 of the North Dakota Century Code, relating to the definition of a political committee and a political purpose.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsections 8 and 10 of section 16.1-08.1-01 of the North Dakota Century Code are amended and reenacted as follows:

- 8. "Political committee" means any committee, club, association, or other group of persons which receives contributions or makes expenditures for political purposes and includes the following:
 - a. A political action committee, derived from a corporation, cooperative corporation, limited liability company, or an association that is prohibited from making direct contributions for political purposes under section 16.1-08.1-03.3, and which solicits or receives contributions or makes expenditures for political purposes;
 - b. A candidate committee, established to support an individual candidate seeking statewide office, that solicits or receives contributions for political purposes;
 - c. <u>An organization governed by section 527 of the Internal Revenue Code [26 U.S.C. 527]</u>, which solicits or receives contributions or makes expenditures for political purposes;
 - <u>d.</u> A multicandidate political committee, established to support multiple groups or slates of candidates seeking public office, that solicits or receives contributions for political purposes; and
- e. A measure committee that solicits or receives contributions for the purpose of aiding or opposing a measure to be voted upon by the voters of the state.
- 10. "Political purpose" means any activity undertaken in support of or in opposition to the election or nomination of a candidate to public office <u>and includes using "vote for",</u> "oppose", or any similar support or opposition language in any advertisement whether the activity is undertaken by a candidate, a political committee, a political party, or any person. In the period thirty days before a primary election and sixty days before a special or general election, "political purpose" also means any activity in which a candidate's name, office, district, or any term meaning the same as "incumbent" or "challenger" is used in support of or in opposition to the election or nomination of a candidate to public office. The term does not include activities undertaken in the performance of a duty of a state office <u>or</u> any position taken in any bona fide news story, commentary, or editorial.

SECTION 2. A new section to chapter 16.1-08.1 of the North Dakota Century Code is created and enacted as follows:

1. An organization governed by section 527 of the Internal Revenue Code [26 U.S.C. 527], which solicits or receives contributions or makes expenditures for political purposes, shall

file a statement showing the name and mailing address of each contributor of an amount in excess of two hundred dollars in the aggregate for the reporting period and a listing of all expenditures of an amount in excess of two hundred dollars in the aggregate made for political purposes with the secretary of state. The statement must include the amount of each reportable contribution and the date the contribution was received. The statement must also include the amount of each reportable expenditure and the date the expenditure was made.

- 2. A preelection statement must be filed no later than the twelfth day before a primary, special, or general election and must be complete from the beginning of the calendar year through the twentieth day before the election.
- 3. A year-end statement covering the entire calendar year must be filed no later than the thirty-first day of January of the following year.
- 4. Even if such an organization has not received any contributions or made any expenditure in excess of two hundred dollars during the reporting period, the organization shall file a statement as required by this chapter.
- 5. <u>A statement filed according to this section during the reporting period must show the following:</u>
 - <u>a.</u> <u>The gross total of all contributions received and expenditures made in excess of two hundred dollars;</u>
 - b. The gross total of all contributions received and expenditures made of two hundred dollars or less; and
 - c. The cash on hand in the filer's account at the start and close of the reporting period.
- 6. The organization shall report the occupation, employer, and principal place of business of each person, or the political committee if not already registered according to state or federal law, that contributed five thousand dollars or more in the aggregate during the reporting period.

SECTION 3. AMENDMENT. Subdivision a of subsection 2 of section 16.1-10-02 of the North Dakota Century Code is amended and reenacted as follows:

a. "Political purpose" means any activity undertaken in support of or in opposition to the election or nomination of a candidate to public office <u>and includes using "vote for",</u> "oppose", or any similar support or opposition language in any advertisement whether the activity was undertaken by a candidate, <u>a</u> political committee, <u>a</u> political party, or any other person but does not include activities undertaken in the performance of a duty of state or political subdivision office. In the period thirty days before a primary election and sixty days before a special or general election, "political purpose" also means any activity in which a candidate is used in support of or in opposition to the election or nomination of a candidate to public office. The term does not include activities undertaken in the performance of a duty of a state office or a position to the election or nomination of a candidate to public office. The term does not include activities undertaken in the performance of a duty of a state office or a position taken in any bona fide news story, commentary, or editorial.

Speaker of the House President of the Senate Secretary of the Senate Chief Clerk of the House This certifies that the within bill originated in the House of Representatives of the Sixtieth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1499. House Vote: Yeas 88 Nays 0 Absent 6 Nays 1 2 Senate Vote: Yeas 44 Absent Chief Clerk of the House Received by the Governor at ______ M. on ______, 2007. Approved at ______, 2007. Governor Filed in this office this ______ day of ______, 2007, at _____ o'clock _____ M.

Secretary of State