

HOUSE BILL NO. 1410

Introduced by

Representatives Hanson, D. Anderson, Maragos, J. Nelson, Toman

Senators Bekkedahl, Casper, Luick, Oban

1 A BILL for an Act to create and enact a new section to chapter 54-05.1 of the North Dakota
2 Century Code, relating to filings required for lobbyists; to amend and reenact subsection 1 of
3 section 54-05.1-02, and sections 54-05.1-03 and 54-05.1-04 of the North Dakota Century Code,
4 relating to lobbyist disclosure forms; and to provide a penalty.

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

6 **SECTION 1. AMENDMENT.** Subsection 1 of section 54-05.1-02 of the North Dakota
7 Century Code is amended and reenacted as follows:

- 8 1. This chapter applies to any person who, in any manner whatsoever, directly or
9 indirectly, performs any of the following activities:
- 10 a. Attempts to secure the introduction, passage, amendment, or defeat of any
11 legislation by the legislative assembly or the approval or veto of any legislation by
12 the governor of the state.
- 13 b. Attempts to influence decisions made by an individual legislator, a legislative
14 committee, the legislative management, or by an interim committee of the
15 legislative management.

16 **SECTION 2. AMENDMENT.** Section 54-05.1-03 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **54-05.1-03. Registration as a lobbyist - Fee - Filing of information - Public inspection -**
19 **Certificate of registration.**

- 20 1. a. Before engaging in any of the activities listed in section 54-05.1-02, an individual
21 shall register with the secretary of state and receive a certificate of registration
22 and a distinctive lobbyist identification badge that must be prominently worn by
23 the lobbyist when engaged in any of the activities listed in section 54-05.1-02
24 while on the capitol grounds. In lieu of wearing the official badge provided by the

1 secretary of state, a lobbyist may wear a reasonable reproduction of the official
2 badge that contains the name of the lobbyist and any of the following: the word
3 lobbyist, the registration number of the lobbyist, or the organization name of the
4 lobbyist in characters no smaller than one-quarter inch [6.35 millimeters]. If a
5 lobbyist's official badge is lost or destroyed, the lobbyist may obtain a duplicate
6 badge by applying to the secretary of state and paying a fee of ten dollars.

7 b. The registrant shall state in writing:

8 (1) The registrant's full name and business address; and

9 (2) The name and address of any person upon whose behalf the registrant
10 appears, any person in whose interest the registrant appears or works, the
11 duration of the employment or appearances, and by whom the registrant is
12 paid or is to be paid.

13 c. The registration period commences on July first and expires on June thirtieth of
14 the following calendar year unless an earlier expiration date is requested by the
15 registrant.

16 d. Each lobbyist shall file with the secretary of state, before the issuance of a
17 certificate of registration, a written authorization to act as a lobbyist. The
18 authorization must be signed by the official of the corporation, limited liability
19 company, association, group, or organization employing the lobbyist ~~and may be~~
20 ~~filed by facsimile transmission.~~

21 e. The secretary of state shall charge a fee of twenty-five dollars for registering
22 each lobbyist and the first person represented by the lobbyist and an additional
23 fee of fifteen dollars for each subsequent person represented by the lobbyist.

24 2. Each lobbyist shall file, on or before ~~August~~July first following the expiration of the
25 registration period, with the secretary of state a detailed report. The report must
26 include the name of the lobbyist, the person the lobbyist represents, and a statement
27 as to each expenditure, if any, of sixty dollars or more expended on any single
28 occasion on any individual, including the spouse or other family member of a member
29 of the legislative assembly or the governor, in carrying out the lobbyist's work or
30 include a statement that no reportable expenditures were made during the reporting
31 period. Reportable expenditures include meals, beverages, gifts, conference and

1 event registrations, entertainment and sports tickets, and travel. The report must
2 include reportable expenditures made by the lobbyist, regardless of whether the
3 lobbyist or another person, including the employer of the lobbyist or any organization
4 that contracted with the lobbyist, provided the funds for the expenditure. The
5 statement of each expenditure must include a description of the nature of the
6 expenditure, the amount of the expenditure, the date of the expenditure, and the name
7 of the recipient or beneficiary of the expenditure. A state official or agency may not
8 require reporting of lobbyist expenditures other than is required under this subsection.
9 The secretary of state shall provide a prescribed form for reporting under this chapter.
10 The secretary of state shall charge and collect fees for late filing of the detailed-
11 expenditure report as follows:

12 a. ~~Within sixty days after the date provided in this subsection for filing the detailed~~
13 ~~expenditure report, twenty-five dollars; and~~

14 b. ~~Thereafter, fifty dollars.~~

15 3. ~~If a lobbyist fails to file a detailed expenditure report and pay any late fee by October~~
16 ~~first, the lobbyist's registration is automatically revoked. The lobbyist's registration may~~
17 ~~be reinstated if the lobbyist thereafter files the detailed expenditure report and pays~~
18 ~~any outstanding late fee.~~

19 4. ~~All information required to be filed under this section with the secretary of state and~~
20 ~~that previously filed must be compiled by the secretary of state within forty days after~~
21 ~~the close of the period for which the information is filed and the files must be open and~~
22 ~~accessible for public inspection during the normal working hours.~~

23 **SECTION 3.** A new section to chapter 54-05 of the North Dakota Century Code is created and
24 enacted as follows:

25 **Requirements for lobbyist filings - Penalty for late filings.**

26 1. Any registration, written authorization, report, or statement required by this chapter to
27 be filed with the secretary of state must be filed electronically in the format established
28 by the secretary of state. If the secretary of state does not receive a required
29 registration, written authorization, report, or statement, an electronic duplicate of the
30 statement must be promptly filed upon notice by the secretary of state that the
31 document was not received. After a document has been filed, the secretary of state

1 may request or accept written clarification along with an amended statement from the
2 lobbyist filing the document if discrepancies, errors, or omissions on the document are
3 discovered. When requesting an amended document, the secretary of state shall
4 establish a reasonable period of time, not to exceed ten days, for filing the amended
5 document.

6 2. In determining the amount of expenditures to a recipient, all amounts expended to or
7 for the benefit of the recipient during the reporting period must be aggregated to report
8 an overall total expenditure for the purposes of the statements required by this
9 chapter.

10 3. For a reportable expenditure for which the lobbyist was a conduit who expended
11 another person's funds, the lobbyist shall identify each person that provided the funds
12 that were expended.

13 4. The secretary of state shall provide a system for lobbyists to register and report on the
14 internet. Any statement and data filed with the secretary of state must be made
15 available on the internet to the public free of charge within twenty-four hours after
16 filing.

17 5. The secretary of state shall charge and collect fees for late filing of any document
18 required to be filed under this section as follows:

19 a. Within sixty days after the date provided in this chapter for filing the detailed
20 expenditure report, one hundred dollars; and

21 b. Thereafter, five hundred dollars.

22 **SECTION 4. AMENDMENT.** Section 54-05.1-04 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **54-05.1-04. Powers of secretary of state - Granting and revoking of certificates -**
25 **Referrals and reports to the attorney general.**

26 1. The secretary of state shall:

27 a. Grant a certificate of registration and design and furnish a distinctive lobbyist
28 identification badge to any individual registering under section 54-05.1-03 who
29 supplies the required information.

30 b. Revoke the certificate of registration of any individual who has been convicted of
31 violating any provision of this chapter.

- 1 c. Refer on the secretary of state's own motion or on the verified complaint of any
2 other person, to the attorney general for investigation, the activities of any
3 individual who the secretary of state has reason to believe has been acting as a
4 lobbyist and who may be in violation of this chapter.
- 5 d. Make available upon request of any citizen expenditures by categories reported
6 by registered lobbyists to have been expended on each individual in carrying out
7 that registrant's work.
- 8 e. Supply a current list of registered lobbyists for each legislator upon request.
- 9 2. The secretary of state may revoke the certificate of registration issued under this
10 chapter for failure to file the reports required by this chapter when due, but no
11 certificate may be revoked if, before the last day for filing the reports, the secretary of
12 state has been informed in writing of extenuating circumstances justifying the failure.
- 13 ~~3. The secretary of state shall compile and make available to the public a report of the~~
14 ~~total amount of expenditures reported by registrants.~~
- 15 ~~4. The secretary of state may establish procedures for registration of lobbyists and filing~~
16 ~~of lobbyist expenditure reports through the internet or other electronic means, and may~~
17 ~~make lobbyist expenditure reports available on the secretary of state's internet~~
18 ~~website. If a certificate of registration is revoked, the person who authorized the~~
19 ~~lobbyist may not register a new lobbyist for six months.~~