



North Dakota Ethics Commission Regular Meeting

Minutes of January 22, 2025

MS Teams

1. **Call to Order:** The meeting was called to order by Chair Dave Anderson at 9:00 a.m. The following members of the Ethics Commission were also present: Vice Chair Ward Koeser, Commissioners Cynthia Lindquist, Ron Goodman, and Murray Sagsveen, Executive Director Rebecca Binstock, General Counsel Logan Carpenter, Operations Administrator Alisha Maier, and Legal Intern Patrick Frise.
2. **Agenda Additions:** No additions were made.
3. **Approval of Minutes:** The Commission discussed special meeting minutes from January 13, 2025, and January 14, 2025.

Motion: Commissioner Goodman moved to approve special meeting minutes from January 13, 2025, and January 14, 2025. Motion was seconded by Commissioner Lindquist. Chair Anderson called for a voice vote. The motion was approved by unanimous voice vote.

4. **Executive Director Update:**

- Operations Administrator Alisha Maier provided a budget update through the end of December 2024 for the 2023-25 biennium budget. She noted the following totals: current appropriation for the 2023-2025 biennium is \$1,167,769, expenditures in December were \$57,844, total expenditures for the current biennium have been \$805,750, leaving a remaining appropriation for the 2023-2025 biennium of \$362,018. OA Maier presented an estimated ending balance for the biennium on June 30, 2025, at \$15,255 explaining this number will fluctuate as we move through the biennium. OA noted an addition of \$12,472 to the appropriation from the Student Internship Program.
- Executive Director Rebecca Binstock provided an update to the Commission on filings.

In December 2024, the Commission received the following filings:

- Complaints: 3
- Quasi-Judicial Forms: 0
- Conflict of Interest Forms: 4

- Meeting Notices: 12

For January 1, 2024, through December 31, 2024, the Commission has received the following filings:

- Complaints: 41
- Quasi-Judicial Forms: 30
- Conflict of Interest Forms: 16
- Meeting Notices: 151

The Commission currently has 30 pending complaints.

- ED Binstock provided an advisory opinion request update. The Commission has recently received three requests for advisory opinions. Commission staff have communicated with two of the requestors that it will issue advisory opinions.

General Counsel Logan Carpenter provided an overview of the third advisory opinion request. The request relates to whether candidates for office and public officials can use campaign funds to pay for dependent care expenses and security expenses related to campaign activity and their duties as a public official. Under ND law, there is a lack of clarity on whether this is a permissible use of campaign funds for state level candidates. The Commission agreed to issue an opinion, but not until after legislation session to focus on session, pending complaints, and give deliberate consideration to the request after session is completed. Commission staff will reach out to the requestor regarding the timeline in accordance with the Commission's decision.

- ED Binstock provided a COGEL report update. Commissioner Sagsveen completed a written report of his experience at the COGEL conference. The report was provided to the Commissioners.
- ED Binstock provided a legislative update on the below bills:

SB 2004

The Burgum Executive Budget Recommendation was released in December 2024. In January 2025, the Armstrong Executive Budget Recommendation was released. The only difference between the recommendations was due to the executive package for salary increases.

The initial legislative hearing on SB 2004 was held on January 14, 2025, before the Senate Appropriations – Human Resources Division Committee. Chair Anderson and Commissioner Sagsveen attended the hearing online. Vice Chair Koeser, GC Carpenter, AO Maier, and LI Frise attended in person. At the hearing, ED Binstock presented testimony. Additional committee work will be done in the coming weeks before the Human Resources Division Committee.

HB 1046

This bill would allow the Commission to initiate an advisory opinion upon a majority vote of the entire Commission. It also puts internal practices and procedures regarding advisory opinions in statute.

The legislative hearing on HB 1046 was held on January 8, 2025, before the House Judiciary Committee. ED Binstock presented testimony on behalf of the Commission at the hearing. During the hearing, legislators focused on the fact that the bill was introduced by the Commission instead of introduced by a legislator. There was support for the substance of the bill, but it came out of the House Judiciary Committee with a “do not pass recommendation” on a 13-1 vote. The bill failed on the House floor. Commission staff has been working to see if a Senator would re-introduce the bill in the Senate.

SB 2052

This bill is the Commission’s pre-filed bill to clarify the caption of N.D.C.C. § 54-66-13 to add the word “elected.” The bill clarifies the restriction on lobbying while in office and for two years after leaving office, applies to only elected public officials.

The Senate Judiciary Committee held a hearing on January 8, 2025. The committee had one piece of opposition testimony regarding an opinion from the Eighth Circuit Court of Appeals relating to Missouri’s lobbying moratorium. The Missouri lobbying moratorium is different from North Dakota’s in several ways. ED Binstock explained the differences to the committee. The committee unanimously approved a “do pass” recommendation on the bill. The bill passed on the Senate floor on a vote 47-0.

HB 1360

This bill is the Commission’s bill to transition the complaint process to an enforcement action process. The bill was introduced by Representative Christy and co-sponsored by

Representatives Ista, Lefor, Louser, O'Brien, and Pyle as well as Senators Boschee, Hogue, Roers, and Thomas.

A hearing on the bill has not been set. The Commission previously voted to support this bill and will testify in support of the bill.

HB 1469

This bill is the result of the Commission and Secretary of State's collaborative work on needed improvements to currently filed statements of interest. The bill was introduced by Representative Bosch and co-sponsored by Representative Lefor and Senator Hogue.

A hearing on the bill has not been set.

Senate/House Conflicts of Interest Rules

Commission staff continue to help the Senate and House with conflict of interest rules and will have ongoing discussions with legislative council in this regard. Commission staff have developed a script that will be sent to legislative council that shows legislators the process for disclosing a potential conflict of interest and walks them through doing so.

5. **Conversion of Online Forms:** ED Binstock provided an update on the conversion of online forms. The Commission has moved all its forms online, with paper copies available when requested. The Commission has moved to have filings available online through its website. This only includes those filings that are open records and does not include confidential filings such as complaints. During the December meeting, the Commission discussed a process for meeting notices to have NDIT create a webform for submissions and to allow the submissions to be searchable on the Commission's website. The cost to do this is approximately \$1,300. ED Binstock requested the Commission authorize her to request NDIT complete this process for the conflict of interest and quasi-judicial forms as well. The total estimated cost will be approximately \$4,500 for the meeting notice, conflict of interest, and quasi-judicial forms.

Motion: Commissioner Sagsveen motioned to authorize ED Binstock to expend funds of approximately \$4,500 to create webforms for meeting notice, conflict of interest, and quasi-judicial forms. Motion was seconded by Vice Chair Koeser. Chair Anderson called for a roll call vote. The motion was approved by unanimous roll call vote.

6. **Legislative Bills Affecting Ethics Commission:** ED Binstock advised that Commissioner Sagsveen, GC Carpenter, and LI Patrick Frise are monitoring legislative bills that come in to see if they affect the duties, processes, operations, or authority of the Commission.

ED Binstock provided an update on the below legislative bills affecting the Commission:

HB 1257

HB 1257 as introduced relates to organizational session of the legislative assembly. This bill does not directly affect the Ethics Commission other than a portion that requires a report be presented by each constitutional office during a joint session.

Motion: Vice Chair Koeser motioned to authorize Commission staff to provide neutral testimony on this bill in accordance with the Commission's discussion. Motion was seconded by Commissioner Goodman. Chair Anderson called for a roll call vote. The motion was approved by unanimous roll call vote.

HB 1141

HB 1141 as introduced limits state or local governments from contributing to a private organization that has endorsed a candidate or has publicly supported or opposed a ballot measure. The enforcement mechanism that is created by this bill allows an individual alleging a violation to file a complaint with the Ethics Commission. Additionally, the bill requires a state's attorney to prosecute criminal violations that come from the Commission. If a state's attorney does not prosecute, then the Commission would have to authorize the AG to prosecute, with the action filed in the supreme court.

Motion: Commissioner Lindquist motioned to authorize Commission staff to provide neutral testimony on this bill in accordance with the Commission's discussion. Motion was seconded by Commissioner Goodman. Chair Anderson called for a roll call vote. The motion was approved by unanimous roll call vote.

HB 1286

HB 1286 as introduced creates a reporting and enforcement mechanism to identify the ultimate and true source of funds for campaigns. The Ethics Commission is included in a definition within Section 1. Section 4 has the secretary of state receiving complaints, investigating, and assessing a fine for violations of this section. Section 5 includes resident taxpayer rights - civil action

language. Commissioner Sagsveen shared having mutual concerns as shared by ED Binstock as well as concerns with Section 1, "covered person" excluding nonprofit organizations.

Motion: Vice Chair Koeser motioned to authorize Commission staff to provide neutral testimony on this bill in accordance with the Commission's discussion. Motion was seconded by Commissioner Sagsveen. Chair Anderson called for a roll call vote. The motion was approved by unanimous roll call vote.

HB 1434

HB 1434 as introduced sets an expiration date for administrative rules and commission rules. At time of expiration, the governor reviews the rules and can either extend the expiration date or require an agency or the commission to amend or repeal the rule.

Motion: Commissioner Lindquist motioned to authorize Commission staff to testify in accordance with the discussion. Motion was seconded by Vice Chair Koeser. Chair Anderson called for a roll call vote. The motion was approved by unanimous roll call vote.

HB 1505

HB 1505 as introduced amends N.D.C.C. § 12.1-13-02. Speculating or wagering on official action or information. This provides immunity and potential affirmative defenses for individuals who are found or who may be prosecuted for this subsection. Section 5 also changes the scope and applicability of the confidentiality of commission's complaint. Commission staff will continue to have discussions with the Legislature regarding this bill's language.

7. **Executive Session:** The Commission entered executive session during the general meeting at 11:05 a.m. to discuss Complaint No. 24-041. Information regarding the content and parties to a complaint to the Ethics Commission is confidential. The following participants entered the executive session: Chair Dave Anderson, Vice Chair Koeser, Commissioners Ron Goodman, Cynthia Lindquist, and Murray Sagsveen, Executive Director Rebecca Binstock, General Counsel Logan Carpenter, Operations Administrator Alisha Maier, and Legal Intern Patrick Frise.

Executive Session ended at 11:20 a.m. and all participants returned to the regular meeting.

During the Executive Session, the Commission discussed Complaint No. 24-041.

After Executive session, no motions were made.

8. **Further Business:** The Commission discussed holding a special meeting regarding bills. Commission staff will be in contact with the Commissioners to schedule this meeting later.
9. **Adjourn:** The meeting was adjourned at 11:23 a.m. The next regular meeting is scheduled for February 26, 2025, at 9:00 a.m., livestreamed with MS Teams.

Approved on 2/13/25



Rebecca Binstock, Executive Director, North Dakota Ethics Commission