

## LEGISLATIVE BILL 1136

Approved by the Governor March 31, 1988

Introduced by Hartnett, 45; Withem, 14

AN ACT relating to the Nebraska Political Accountability and Disclosure Act; to amend sections 49-1446, 49-1446.01, 49-1455, and 49-1469, Reissue Revised Statutes of Nebraska, 1943; to change provisions relating to the commingling and expenditure of certain separate segregated political funds and campaign statements regarding such funds as prescribed; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 49-1446, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

49-1446. (1) Each committee shall have a treasurer who is a qualified elector of this state. A candidate may appoint himself or herself as the candidate committee treasurer.

(2) Each committee shall designate one account in a financial institution in this state as an official depository for the purpose of depositing all contributions which it receives in the form of or which are converted to money, checks, or other negotiable instruments and for the purpose of making all expenditures. Secondary depositories shall be used for the sole purpose of depositing contributions and promptly transferring the deposits to the committee's official depository.

(3) No contribution shall be accepted and no expenditure shall be made by a committee which has not filed a statement of organization and which does not have a treasurer. When the office of treasurer in a candidate committee is vacant, the candidate shall be the treasurer until the candidate appoints a new treasurer.

(4) No expenditure shall be made by a committee without the authorization of the treasurer or the treasurer's designee. The contributions received or expenditures made by a candidate or an agent of a candidate shall be considered received or made by the candidate committee.

(5) Contributions received by an individual

acting in behalf of a committee shall be reported promptly to the committee's treasurer not later than five days before the closing date of any campaign statement required to be filed by the committee, and shall be reported to the committee treasurer immediately if the contribution is received less than five days before the closing date.

(6) A contribution shall be considered received by a committee when it is received by the committee treasurer or a designated agent of the committee treasurer notwithstanding the fact that the contribution is not deposited in the official depository by the reporting deadline.

(7) Contributions received by a committee shall not be commingled with any funds of an agent of the committee or of any other person except for funds received or disbursed by a separate segregated political fund for the purpose of supporting or opposing candidates and committees in elections in states other than Nebraska and candidates for federal office, as provided in section 49-1469, including independent expenditures made in such elections.

(8) Any person who violates the provisions of sections 49-1445 and 49-1446 section 49-1445 or this section shall be guilty of a Class IV misdemeanor.

Sec. 2. That section 49-1446.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

49-1446.01. No committee, other than a political party committee, may expend or transfer funds except to make an expenditure, as defined in subsection (1), (2), or (3) of section 49-1419, or as provided in this section. Any committee, including a political party committee, may:

(1) Make expenditures or transfer funds after any election for: (a) The necessary continued operation of the campaign office or offices of the candidate or political committee; (b) social events primarily for the benefit of campaign workers and volunteers; (c) obtaining public input and opinion; (d) repayment of campaign loans incurred prior to election day; (e) newsletters and other communications of information, thanks, acknowledgment, or greetings, or for the purpose of political organization and planning; (f) gifts of acknowledgment, including flowers and charitable contributions, except that gifts to any one natural person shall not exceed fifty dollars in any one calendar year; and (g) meals, lodging, and travel by an officeholder related to his or her candidacy and for

members of the immediate family of the officeholder when involved in activities related to his or her candidacy; and

(2) Invest funds in investments authorized in sections 72-1237 to 72-1269 for the state investment officer.

Nothing in this section shall prohibit a separate segregated political fund from disbursing funds as provided in section 49-1469.

Sec. 3. That section 49-1455, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

49-1455. The campaign statement of a committee, other than a political party committee, shall contain the following information:

(1) The filing committee's name, address, and telephone number; and the full name, residential and business addresses, and telephone numbers of its committee treasurer;

(2) Under the heading RECEIPTS, the total amount of contributions received during the period covered by the campaign statement; under the heading EXPENDITURES, the total amount of expenditures made during the period covered by the campaign statement; and the cumulative amount of those totals for that election. If a loan was repaid during the period covered by the campaign statement, the amount of the repayment shall be subtracted from the total amount of contributions received. Forgiveness of a loan shall not be included in the totals. Payment of a loan by a third party shall be recorded and reported as a contribution by the third party but shall not be included in the totals. In-kind contributions or expenditures shall be listed at fair market value and shall be reported as both contributions and expenditures;

(3) The balance of cash and cash equivalents on hand at the beginning and the end of the period covered by the campaign statement;

(4) The full name of each person from whom contributions totaling more than one hundred dollars are received during the period covered by the report, together with the person's street address, the amount contributed, the date on which each contribution was received, and the cumulative amount contributed by that person for that election;

(5) The cumulative amount contributed and the name and address of each person, except those persons or names reported under subdivision (4) of this section, who contributed a total of more than one hundred dollars

for that election;

(6) The name and street address of each committee and the full name and street address of the treasurer of each committee which is listed as a contributor;

(7) The full name and street address of each person to whom expenditures totaling more than one hundred dollars were made, together with the amount of each separate expenditure to each such person during the period covered by the campaign statement; the purpose of the expenditure; and the full name and street address of the person providing the consideration for which any expenditure was made if different from the payee; and

(8) The amount of expenditures for or against a candidate or ballot question during the period covered by the campaign statement and the cumulative amount of expenditures for or against that candidate or ballot question. An expenditure made in support of more than one candidate or ballot question, or both, shall be apportioned reasonably among the candidates or ballot questions, or both; and

(9) The total amount of funds disbursed by a separate segregated political fund, by state, for the purpose of supporting or opposing candidates and committees in elections in states other than Nebraska and candidates for federal office, including independent expenditures made in such elections.

Sec. 4. That section 49-1469, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

49-1469. (1) Any corporation, labor organization, or industry, trade, or professional association, whether organized under the laws of this state or any other state or country and doing business in this state, without being a committee as defined in section 49-1413, may make expenditures or provide personal services. It shall not be required to file reports of independent expenditures pursuant to section 49-1467, but it shall file a report with the commission within ten days after the end of the calendar month in which any expenditure is made or personal service provided. Such report shall fully disclose the nature, date, and value of any expenditure, as well as the committee or candidate to which or in whose behalf it was made. In the case of personal services, the corporation, labor organization, or industry, trade, or professional association shall in such report fully detail the nature, date or dates, the specifics of the personal service provided, the committee or candidate to

which or in whose behalf it was made, and the proposition in behalf of or in opposition to which it was made.

(2)(a) A corporation, labor organization, or industry, trade, or professional association may not receive contributions unless it establishes and administers a separate segregated political fund which may shall be utilized only for the purpose of receiving such contributions and making expenditures in the manner set forth in this subsection.

(b) The corporation, labor organization, or industry, trade, or professional association establishing and administering such a separate segregated political fund shall not make an expenditure to such fund, except that it may make expenditures and provide personal services for the establishment and administration of such separate segregated political fund.

(c) All contributions to and expenditures from such separate segregated political fund shall be limited to money or anything of ascertainable value obtained through the voluntary contributions of the employees, officers, directors, stockholders, or members of the corporation, including a nonprofit corporation, labor organization, or industry, trade, or professional association, and the affiliates thereof, under which such fund was established. No contribution or expenditure shall be received or made from such fund if obtained or made by using or threatening to use job discrimination or financial reprisals. Only expenditures to candidates and committees and independent expenditures may be made from a fund established by a corporation, ~~or~~ labor organization, or industry, trade, or professional organization, except that such separate segregated political fund may receive and disburse funds for the purpose of supporting or opposing candidates and committees in elections in states other than Nebraska and candidates for federal office and making independent expenditures in such elections if such receipts and disbursements are made in conformity with the solicitation provisions of this section and the corporation, labor organization, or industry, trade, or professional association which establishes and administers such fund complies with the laws of the jurisdiction in which such receipts or disbursements are made. Only expenditures to candidates and committees, independent expenditures, and expenditures for the ~~The expenses for~~ establishment and administration of such a separate segregated political

fund may be made from a fund established by of an industry, trade, or professional association may be paid from the separate segregated political fund of such industry, trade, or professional association.

(d) The corporation, labor organization, or industry, trade, or professional association which establishes and administers a separate segregated political fund shall file the reports required by subsection (1) of this section with respect to the expenditures made or personal services provided for the establishment and administration of such fund but need not file such reports for the expenditures made from such fund. If a corporation makes an expenditure to a separate segregated political fund which is established and administered by an industry, trade, or professional association of which such corporation is a member, such corporation shall not be required to file the reports required by subsection (1) of this section.

(e) Such a separate segregated political fund is hereby declared to be an independent committee and subject to all of the provisions of ~~sections 49-1461 to 49-1473~~ the Nebraska Political Accountability and Disclosure Act applicable to independent committees, and the corporation, labor organization, or industry, trade, or professional association which establishes and administers such fund shall make the reports and filings required therefor.

(3) Any person who knowingly violates the provisions of this section shall be guilty of a Class III misdemeanor.

Sec. 5. That original sections 49-1446, 49-1446.01, 49-1455, and 49-1469, Reissue Revised Statutes of Nebraska, 1943, are repealed.