

LEGISLATIVE BILL 242

Approved by the Governor April 7, 2005

Introduced by Schimek, 27

AN ACT relating to the Nebraska Political Accountability and Disclosure Act; to amend sections 32-1603, 49-1401, 49-1409, 49-1413, 49-1419, 49-1420, 49-1445 to 49-1446.04, 49-1446.06, 49-1447, 49-1453, 49-1458, 49-1461.01, 49-1463.01, 49-1467, 49-1469 to 49-1469.04, 49-1479.01, 49-1480.01 to 49-1483, 49-1486, 49-1488.01, 49-1494, 49-1496, 49-1497, 49-1499 to 49-1499.04, 49-14,101.01, 49-14,101.02, 49-14,102, 49-14,103 to 49-14,103.04, 49-14,104, 49-14,112, 49-14,115, 49-14,120, 49-14,123, 49-14,124, 49-14,125, 49-14,127, 49-14,132, 49-14,135 to 49-14,139, and 50-114.05, Reissue Revised Statutes of Nebraska; to change, transfer, and repeal provisions relating to political accountability and disclosure; to change amount and distribution of fees; to change and provide penalties; to repeal obsolete provisions; to harmonize provisions; to provide an operative date; to repeal the original sections; and to outright repeal sections 49-1483.01, 49-14,123.02, and 49-14,130, Reissue Revised Statutes of Nebraska.

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

Section 1. Section 32-1603, Reissue Revised Statutes of Nebraska, is amended to read:

32-1603. For purposes of the Campaign Finance Limitation Act, the definitions found in sections 49-1404 to 49-1444 shall be used, except that:

(1) Covered elective office means (a) the Legislature in any election period and (b) the Governor, State Treasurer, Secretary of State, Attorney General, Auditor of Public Accounts, the Public Service Commission, the Board of Regents of the University of Nebraska, and the State Board of Education if designated as covered for a given election period pursuant to section 32-1611;

(2) Election period means (a) the period beginning January 1 of the calendar year prior to the year of the election in which the candidate is seeking office through the end of the calendar year of such election for covered elective offices listed in subdivision (1)(a) of this section and (b) the period beginning July 1 of the calendar year prior to the year of the election in which the candidate is seeking office through the end of the calendar year of such election for covered elective offices listed in subdivision (1)(b) of this section;

(3) Expenditure means the purchase for campaign activities of (a) services from a communications medium, including production costs, (b) printing, photography, graphic arts, or advertising services, (c) office supplies, (d) postage and other commercial delivery services, (e) meals, lodging, and travel expenses, and (f) staff salaries;

(4) General election period means the period beginning with the day following the end of the primary election period through the end of the election period;

(5) Primary election period means the period beginning with the first day of the election period through the thirty-fifth day following the primary election; and

(6) Unrestricted spending means expenditures or transfers of funds authorized under subdivision ~~(1)(f)~~, ~~(h)~~, ~~or (i)~~ (6), (8), or (9) of section ~~49-1446.01~~ 49-1446.03.

Sec. 2. Section 49-1401, Reissue Revised Statutes of Nebraska, is amended to read:

49-1401. Sections 49-1401 to 49-14,141 and sections 20 to 27, 29, and 58 of this act shall be known and may be cited as the Nebraska Political Accountability and Disclosure Act. Any reference to sections 49-1401 to 49-14,138 shall be construed to include sections 49-1499.01 and 49-14,103.01 to 49-14,103.07. After August 25, 1989, any reference to sections 49-1401 to 49-14,138 shall be construed to include sections 49-14,123.01 and 49-14,140.

Sec. 3. Section 49-1409, Reissue Revised Statutes of Nebraska, is amended to read:

49-1409. (1) Candidate shall mean an individual: (a) Who files, or on behalf of whom is filed, a fee, affidavit, nomination papers, or nominating petition for an elective office; (b) whose nomination as a candidate for elective office by a political party caucus, committee, or convention is certified to the appropriate filing official; (c) who is an officeholder who

is the subject of a recall vote; or (d) who receives a contribution, makes an expenditure, or gives consent for another person to receive a contribution or make an expenditure with a view to bringing about the individual's nomination or election to an elective office, whether or not the specific elective office for which the individual will seek nomination or election is known at the time the contribution is received or the expenditure is made. An elected officeholder shall, if eligible under law, be considered to be a candidate for reelection to that same office for the purposes of ~~sections 49-1401 to 49-14,138~~ the Nebraska Political Accountability and Disclosure Act only.

(2) Candidate shall not include any ~~person~~ individual who is a candidate within the meaning of ~~Section 301(b)~~ of the Federal Election Campaign Act of 1971, ~~as amended~~ 2 U.S.C. 431, as such section existed on the operative date of this act.

Sec. 4. Section 49-1413, Reissue Revised Statutes of Nebraska, is amended to read:

49-1413. (1) Committee shall mean ~~(1)~~ (a) any combination of two or more individuals which receives contributions or makes expenditures of over five thousand dollars in a calendar year for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of one or more candidates or the qualification, passage, or defeat of one or more ballot questions or ~~(2)~~ (b) a person, ~~as defined in section 49-1438,~~ whose primary purpose is to receive contributions or make expenditures and who receives or makes contributions or expenditures of over five thousand dollars in a calendar year for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of one or more candidates or the qualification, passage, or defeat of one or more ballot questions, except that an individual, other than a candidate, shall not constitute a committee.

(2) Except as otherwise provided in section 49-1445, a committee shall be considered formed and subject to the Nebraska Political Accountability and Disclosure Act upon raising, receiving, or spending over the five thousand dollars in a calendar year referred to in this section.

(3) A corporation, labor organization, or industry, trade, or professional association is not a committee if it makes expenditures or provides personal services pursuant to section 49-1469 and sections 20 to 23 of this act.

Sec. 5. Section 49-1419, Reissue Revised Statutes of Nebraska, is amended to read:

49-1419. (1) Expenditure shall mean a payment, donation, loan, pledge, or promise of payment of money or anything of ascertainable monetary value for goods, materials, services, or facilities in assistance of, or in opposition to, the nomination or election of a candidate or the qualification, passage, or defeat of a ballot question. An offer or tender of an expenditure is not an expenditure if expressly and unconditionally rejected or returned.

(2) Expenditure shall include a contribution or a transfer of anything of ascertainable monetary value for purposes of influencing the nomination or election of any candidate or the qualification, passage, or defeat of a ballot question.

(3) Expenditure shall not include:

(a) An amount paid pursuant to a pledge or promise to the extent the amount was previously reported as an expenditure;

(b) An expenditure for communication by a person strictly with the person's paid members or shareholders;

(c) An expenditure for communication on a subject or issue if the communication does not support or oppose a ballot question or candidate by name or clear inference;

(d) An expenditure by a broadcasting station, newspaper, magazine, or other periodical or publication for any news story, commentary, or editorial in support of or opposition to a candidate for elective office or a ballot question in the regular course of publication or broadcasting; or

(e) An expenditure for nonpartisan voter registration activities. This subdivision shall not apply if a candidate or a group of candidates sponsors, finances, or is identified by name with the activity. This subdivision shall apply to an activity performed pursuant to the Election Act by an election commissioner or other registration official who is identified by name with the activity.

(4) Expenditure for purposes of sections 49-1480 to ~~49-1492~~ 49-1492.01 shall mean an advance, conveyance, deposit, distribution, transfer of funds, loan, payment, pledge, or subscription of money or anything of value and any contract, agreement, promise, or other obligation, whether or not legally enforceable, to make an expenditure. Expenditure shall not include payments for transportation by lobbyists or the cost of communicating

positions from a principal to a lobbyist or from a lobbyist to a principal.

Sec. 6. Section 49-1420, Reissue Revised Statutes of Nebraska, is amended to read:

49-1420. (1) Filed shall mean the receipt by the appropriate filing official of a statement or report required to be filed under ~~sections 49-1401 to 49-14,138~~ the Nebraska Political Accountability and Disclosure Act.

(2) Filer shall mean each person required to file a statement or report pursuant to ~~sections 49-1401 to 49-14,138~~ the act.

(3) Filing official shall mean the official designated pursuant to ~~sections 49-1401 to 49-14,138~~ the act to receive required statements and reports.

Sec. 7. Section 49-1445, Reissue Revised Statutes of Nebraska, is amended to read:

49-1445. Each candidate shall, upon raising, receiving, or expending in excess of five thousand dollars in a calendar year, other than the fee for filing for office, form a candidate committee which may be a one-person committee, that person being the candidate. A person who is a candidate for more than one office shall form a candidate committee for the office for which the person is a candidate upon raising, receiving, or expending in excess of five thousand dollars in a calendar year, other than the fee for filing for office, for the campaign for that office. Any two or more candidates who campaign as a slate or team for public office shall form a committee upon raising, receiving, or expending, jointly in any combination, in excess of five thousand dollars in a calendar year, other than the fee for filing for office. (1) A candidate shall form a candidate committee upon raising, receiving, or expending more than five thousand dollars in a calendar year.

(2) A candidate committee may consist of one member with the candidate being the member.

(3) A person who is a candidate for more than one office shall form a candidate committee for an office upon raising, receiving, or expending more than five thousand dollars in a calendar year for that office.

(4) Two or more candidates who campaign as a slate or team for public office shall form a committee upon raising, receiving, or expending jointly in any combination more than five thousand dollars in a calendar year.

(5) The fee to file for office shall not be included in determining if a candidate has raised, received, or expended more than five thousand dollars in a calendar year.

(6) Any person who violates this section shall be guilty of a Class IV misdemeanor.

Sec. 8. Section 49-1446, Reissue Revised Statutes of Nebraska, is amended to read:

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) Except for funds received as provided in the Campaign Finance Limitation Act, 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 assistant treasurer. 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~~ 21 of this act, including independent expenditures made in such elections.

(8) Any person who violates ~~section 49-1445~~ or this section shall be guilty of a Class IV misdemeanor.

Sec. 9. Section 49-1446.01, Reissue Revised Statutes of Nebraska, is amended to read:

49-1446.01. (1) 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 49-1446.03 or section 21 of this act. 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 or constituents; (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; (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; (h) conference fees, meals, lodging, and travel by an officeholder and his or her staff when involved in activities related to the duties of his or her public office; and (i) in the case of the candidate committee for the Governor, conference fees, meals, lodging, and travel by the Governor, his or her staff, and his or her immediate family, when involved in activities related to the duties of the Governor;~~

~~(2) Make expenditures or transfer funds for the payment of installation and use of telephone and telefax machines located in an officeholder's public office and used by such officeholder; and~~

~~(3) Invest funds in investments authorized in the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act for the state investment officer.~~

(2) A candidate committee of an officeholder may make expenditures for the payment of installation and use of telephone and telefax machines located in an officeholder's public office and used by such officeholder.

(3) Any committee, including a political party committee, may invest funds in investments authorized for the state investment officer in the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act. Nothing in this section shall prohibit a separate segregated political fund from disbursing funds as provided in section ~~49-1469~~ 21 of this act.

Sec. 10. Section 49-1446.02, Reissue Revised Statutes of Nebraska, is amended to read:

49-1446.02. Notwithstanding any other provision of the Nebraska Political Accountability and Disclosure Act, no committee shall expend or transfer funds for the purchase or payment of:

(1) Clothes or medical or dental expenses of a candidate or the members of his or her immediate family;

(2) Installment payments for an automobile owned by a candidate;

(3) Mortgage or rental payments for a permanent residence of a candidate;

(4) The satisfaction of personal debts, including installment payments on personal loans, except campaign loans subject to reporting required by subsection (2) of section 49-1456;

(5) Personal services, including the services of a lawyer or accountant, except campaign services subject to reporting pursuant to the provisions of section 49-1455; or

(6) Office supplies, staff, or furnishings for the public office for which an individual is a candidate for nomination or election except as set out in ~~subdivision~~ subsection (2) of section 49-1446.01.

Sec. 11. Section 49-1446.03, Reissue Revised Statutes of Nebraska, is amended to read:

49-1446.03. ~~Sections 49-1446.01 and 49-1446.02 shall be enforced in the same manner as the provisions of sections 49-1401 to 49-14,138 and, unless otherwise specified, if the commission finds that a violation of the~~

provisions of sections 49-1446.01 and 49-1446.02 has occurred, the commission may issue any order that may be issued pursuant to section 49-14,126, as it may from time to time be amended by the Legislature. Except as otherwise provided in the Nebraska Political Accountability and Disclosure Act, any committee may, in addition to the expenditures set forth in section 49-1446.01, make expenditures for the following:

- (1) The necessary continued operation of the campaign office or offices of the candidate or political committee;
- (2) Social events primarily for the benefit of campaign workers and volunteers or constituents;
- (3) Obtaining public input and opinion;
- (4) Repayment of campaign loans incurred prior to election day;
- (5) Newsletters and other communications for the purpose of information, thanks, acknowledgment, or greetings or for the purpose of political organization and planning;
- (6) Gifts of acknowledgment, including flowers and charitable contributions, except that gifts to any one individual shall not exceed fifty dollars in any one calendar year;
- (7) 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;
- (8) Conference fees, meals, lodging, and travel by an officeholder and his or her staff when involved in activities related to the duties of his or her public office; and
- (9) In the case of the candidate committee for the Governor, conference fees, meals, lodging, and travel by the Governor, his or her staff, and his or her immediate family, when involved in activities related to the duties of the Governor.

Sec. 12. Section 49-1446.04, Reissue Revised Statutes of Nebraska, is amended to read:

49-1446.04. (1) Beginning on June 2, 1995, a candidate committee shall not accept more than fifteen thousand dollars in loans prior to or during the first thirty days after formation of the candidate committee. ~~After such~~

(2) After the thirty-day period and until the end of the term of the office to which the candidate sought nomination or election, the candidate committee shall not accept loans in an aggregate amount of more than fifty percent of the contributions of money, other than the proceeds of loans, which the candidate committee has received during such period as of the date of the receipt of the proceeds of the loan.

(3) A candidate committee shall not pay interest, fees, gratuities, or other sums in consideration of a loan, advance, or other extension of credit to the candidate committee by the candidate, a member of the candidate's immediate family, or any business with which the candidate is associated.

~~(2)~~ (4) The penalty for violation of this section shall be a civil penalty of not less than two hundred fifty dollars and not more than the amount of money received by a candidate committee in violation of this section if the candidate committee received more than two hundred fifty dollars. The commission shall assess and collect the civil penalty and shall remit the penalty to the State Treasurer for credit to the permanent school fund distribution in accordance with Article VII, section 5, of the Constitution of Nebraska.

Sec. 13. Section 49-1447, Reissue Revised Statutes of Nebraska, is amended to read:

49-1447. (1) The committee treasurer shall keep detailed accounts, records, bills, and receipts necessary to substantiate the information contained in a statement or report filed pursuant to sections 49-1445 to ~~49-1479~~ 49-1479.01 and sections 20 to 27 and 29 of this act or rules and regulations adopted and promulgated under the Nebraska Political Accountability and Disclosure Act.

(2)(a) For any committee other than a candidate committee, the committee treasurer shall be responsible for filing all statements and reports of the committee required to be filed under the act and shall be personally liable subject to section 49-1461.01 for any late filing fees, civil penalties, and interest that may be due under the act as a result of a failure to make such filings.

(b) For candidate committees, the candidate shall be responsible for filing all statements and reports required to be filed by his or her candidate committee under the Nebraska Political Accountability and Disclosure Act or the Campaign Finance Limitation Act. The candidate shall be personally liable for any late filing fees, civil penalties, and interest that may be due under

either act as a result of a failure to make such filings and may use funds of the candidate committee to pay such fees, penalties, and interest.

(3) The committee treasurer shall record the name and address of each person from whom a contribution is received except for contributions of fifty dollars or less received pursuant to subsection (2) of section 49-1472.

(4) The records of a committee shall be preserved for five years and shall be made available for inspection as authorized by the commission.

(5) Any person violating the provisions of this section shall be guilty of a Class III misdemeanor.

Sec. 14. Section 49-1453, Reissue Revised Statutes of Nebraska, is amended to read:

49-1453. (1) A committee may be dissolved by the filing of a statement of dissolution with the commission, the payment of all fees, penalties, and interest which may be owed, and complying with the rules and regulations of the commission for dissolution of committees. ~~No~~ Except as otherwise provided in subsection (2) of this section, no committee shall be dissolved until such statement is filed and such payments are made.

(2) A committee may be dissolved if the commission determines that fees, penalties, and interest owed by a committee are uncollectible.

Sec. 15. Section 49-1458, Reissue Revised Statutes of Nebraska, is amended to read:

49-1458. (1) A committee which receives a late contribution shall report the contribution to the commission by filing a report within two days after the date of its receipt. ~~the full name, street address, occupation, employer, and principal place of business of the contributor.~~ The report shall include the amount of the contribution and the date of receipt. ~~Filing of a report of late contributions may be filed by hand delivery, facsimile transmission, telegraph, express delivery service, or any other written means of communication, including electronic means approved by the commission, and need not contain an original signature.~~

(2) The report shall include the full name, street address, occupation, employer, and principal place of business of the contributor, the amount of the contribution, and the date of receipt.

~~(3) A late contribution shall be reported on subsequent campaign statements without regard to reports filed pursuant to this section. If a campaign statement has not been filed, a late contribution may be reported, if practicable, in the campaign statement and need not be reported in a subsequent campaign statement.~~

~~(2)~~ (4) Any committee which fails to file a report of late contributions with the commission as required by this section shall pay to the commission a late filing fee of one hundred dollars for each day the report remains not filed not to exceed three thousand dollars or ten percent of the late contribution required to be reported, whichever is greater.

~~(3)~~ (5) For purposes of this section, late contribution means a contribution ~~as defined in section 49-1415~~ of one thousand dollars or more received after the closing date for campaign statements as provided in subdivision (1)(b) of section 49-1459.

Sec. 16. Section 49-1461.01, Reissue Revised Statutes of Nebraska, is amended to read:

49-1461.01. (1) A ballot question committee shall file with the commission a surety bond running in favor of the State of Nebraska with surety by a corporate bonding company authorized to do business in this state and conditioned upon the payment of all fees, penalties, and interest which may be imposed under the Nebraska Political Accountability and Disclosure Act.

(2) A bond in the amount of five thousand dollars shall be filed with the commission within thirty days after the committee receives contributions or makes expenditures in excess of one hundred thousand dollars in a calendar year, and the amount of the bond shall be increased by five thousand dollars for each additional five hundred thousand dollars received or expended in a calendar year.

(3) Proof of any required increase in the amount of the bond shall be filed with the commission within thirty days after each additional five hundred thousand dollars is received or expended. Any failure to pay late filing fees, civil penalties, or interest due under the act shall be recovered from the proceeds of the bond prior to recovery from the treasurer of the committee.

(4) Any person violating the provisions of this section shall be guilty of a Class III misdemeanor.

Sec. 17. Section 49-1463.01, Reissue Revised Statutes of Nebraska, is amended to read:

49-1463.01. (1) A person required to pay a late filing fee imposed under section 32-1604.01, 49-1449, 49-1458, 49-1463, 49-1467, ~~49-1469,~~

49-1478.01, or 49-1479.01 or section 23 of this act may apply to the commission for relief. The commission by order may reduce the amount of a late filing fee imposed and waive any or all of the interest due on the fee upon a showing by such person that (a) the circumstances indicate no intent to file late, (b) the person has not been required to pay late filing fees for two years prior to the time the filing was due, (c) the late filing shows that less than five thousand dollars was raised, received, or expended during the reporting period, and (d) a reduction of the late fees and waiver of interest would not frustrate the purposes of the Nebraska Political Accountability and Disclosure Act.

(2) A person required to pay a late filing fee imposed for failure to file a statement of exemption under subsection (2) of section 49-1459 may apply to the commission for relief. The commission by order may reduce or waive the late filing fee and waive any or all of the interest due on the fee, and the person shall not be required to make a showing as provided by subsection (1) of this section.

Sec. 18. Section 49-1467, Reissue Revised Statutes of Nebraska, is amended to read:

49-1467. (1) Any person, other than a committee, who makes an independent expenditure advocating the election of a candidate or the defeat of a candidate's opponents or the qualification, passage, or defeat of a ballot question, which is in an amount of more than two hundred fifty dollars, shall file a report of the independent expenditure, within ten days, with the commission, ~~and the election commissioner or, if there is no election commissioner, the clerk of the county of residence of that person.~~

(2) The report shall be made on an independent expenditure report form provided by the commission and shall include the date of the expenditure, a brief description of the nature of the expenditure, the amount of the expenditure, the name and address of the person to whom it was paid, the name and address of the person filing the report, ~~together with~~ and the name, address, occupation, employer, and principal place of business of each person who contributed more than two hundred fifty dollars to the expenditure.

(3) The commission shall make all independent expenditure reports available to the public on its web site as soon as practicable. An independent expenditure report shall be available on the web site for the duration of the election period for which the report is filed and for an additional six months thereafter.

~~(2)~~ (4) Any person who fails to file a report of an independent expenditure with the commission ~~as required by this section~~ shall pay to the commission a late filing fee of twenty-five dollars for each day the statement remains not filed in violation of this section not to exceed seven hundred fifty dollars.

~~(3)~~ (5) Any person who violates the provisions of this section shall be guilty of a Class IV misdemeanor.

Sec. 19. Section 49-1469, Reissue Revised Statutes of Nebraska, is amended to read:

49-1469. (1) ~~Any~~ A corporation, labor organization, or industry, trade, or professional association, ~~whether~~ which is organized under the laws of ~~this state~~ the State of Nebraska 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 of two hundred fifty dollars or more is made or personal service of two hundred fifty dollars or more, calculated at fair market value, is 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, the date or dates, and 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 and which is not a committee, may:

- (a) Make an expenditure;
- (b) Make a contribution; and
- (c) Provide personal services.

(2) Such a corporation, labor organization, or industry, trade, or professional association shall not be required to file reports of independent expenditures pursuant to section 49-1467, but if it makes a contribution or expenditure, or provides personal services, with a value of more than two hundred fifty dollars, it shall file a report with the commission within ten

days after the end of the calendar month in which the contribution or expenditure is made or the personal services are provided. The report shall include:

(a) The nature, date, and value of the contribution or expenditure and the name of the candidate or committee or a description of the ballot question to or for which the contribution or expenditure was made; and

(b) A description of any personal services provided, the date the services were provided, and the name of the candidate or committee or a description of the ballot question to or for which the personal services were provided.

~~(2)(a)~~ (3) 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 shall be utilized only in the manner set forth in this subsection sections 20 and 21 of this act.

~~(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, 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. The expenses for establishment and administration of a separate segregated political fund of a corporation, labor organization, or industry, trade, or professional association may be paid from the separate segregated political fund of such corporation, labor organization, or 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 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 corporation, labor organization, or industry, trade, or professional association which fails to file a report with the commission required by this section shall pay to the commission a late filing fee of twenty-five dollars for each day the statement remains not filed in violation of this section not to exceed seven hundred fifty dollars.~~

~~(4) Any person who knowingly violates the provisions of this section shall be guilty of a Class III misdemeanor.~~

Sec. 20. (1) A corporation, labor organization, or industry, trade, or professional association which establishes and administers a separate segregated political fund:

(a) 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; and

(b) Shall file the reports required by subsection (2) of section 49-1469 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.

(2) 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 (2) of section 49-1469.

Sec. 21. (1) All contributions to and expenditures from a 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.

(2) 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.

(3) Only expenditures to candidates and committees and independent expenditures may be made from a fund established by a corporation, labor organization, or industry, trade, or professional organization. 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.

(4) The expenses for establishment and administration of a separate segregated political fund of a corporation, labor organization, or industry, trade, or professional association may be paid from the separate segregated political fund of such corporation, labor organization, or industry, trade, or professional association.

Sec. 22. A separate segregated political fund is hereby declared to be an independent committee and subject to all of the provisions of 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.

Sec. 23. (1) Any corporation, labor organization, or industry, trade, or professional association which fails to file a report with the commission required by section 49-1469 or section 22 of this act shall pay to the commission a late filing fee of twenty-five dollars for each day the statement remains not filed in violation of such sections not to exceed seven hundred fifty dollars.

(2) Any person who knowingly violates this section, section 49-1469, or section 20, 21, or 22 of this act shall be guilty of a Class III misdemeanor.

Sec. 24. Section 49-1446.06, Reissue Revised Statutes of Nebraska, is amended to read:

~~49-1446.06.~~ (1) Any person who makes an expenditure reportable under the Nebraska Political Accountability and Disclosure Act to disseminate by any means of telecommunication a prerecorded message or a recorded message relating to a candidate or ballot question shall include in the message the name of the person, including committees, making the expenditure.

(2) Any person who makes an expenditure reportable under the act to disseminate by any means of telecommunication a message relating to a candidate or ballot question which is not a recorded message or a prerecorded message shall, immediately upon the request of the recipient of the message, disclose the name of the person, including committees, making the expenditure. If the message is disseminated through an employee or agent of the person making the expenditure, the employee or agent shall, immediately upon the request of the recipient of the message, disclose the name of the person, including committees, making the expenditure.

(3) Any person who makes an expenditure reportable under the act to disseminate by any electronic means, including the Internet or email, a message relating to a candidate or ballot question shall include in the message the name of the person, including committees, making the expenditure.

Sec. 25. Section 49-1469.01, Reissue Revised Statutes of Nebraska,

is amended to read:

~~49-1469.01.~~ The Legislature finds that in sponsoring a lottery, the state undertakes a unique enterprise which can succeed only if the public has confidence in the integrity of the lottery and the process by which government decisions relating to the lottery are made. The Legislature finds that there is a compelling state interest in ensuring the integrity and the appearance of integrity of elections for state elective office and of the state-sponsored lottery. The Legislature further finds that the practice of contributions being given to candidates for state elective offices by individuals or entities holding contracts with the state to supply goods or services in connection with the state-sponsored lottery for significant monetary prizes contributes to actual corruption or the appearance of corruption and diminishes public confidence in government and in the state-sponsored lottery. The Legislature finds that sections ~~49-1469.02 and 49-1469.03~~ 26 and 27 of this act are consistent with these findings.

Sec. 26. Section 49-1469.02, Reissue Revised Statutes of Nebraska, is amended to read:

~~49-1469.02.~~ (1) A person who is awarded a contract by the Director of the Lottery Division as a lottery contractor for a major procurement as defined in section 9-803 may not make a contribution to or an independent expenditure for a candidate for a state elective office during the term of the contract or for three years following the most recent award or renewal of the contract.

(2) A person shall be considered to have made a contribution or independent expenditure if the contribution or independent expenditure is made by the person, by an officer of the person, by a separate segregated political fund established and administered by the person as provided in section 49-1469 and sections 20 to 23 of this act, or by anyone acting on behalf of the person, officer, or fund.

(3) A person who knowingly or intentionally violates this section shall be guilty of a Class IV felony.

Sec. 27. Section 49-1469.03, Reissue Revised Statutes of Nebraska, is amended to read:

~~49-1469.03.~~ (1) No person, including a candidate or candidate committee, shall accept or receive any contribution prohibited by section ~~49-1469.02~~ 26 of this act. A person who knowingly or intentionally accepts any such contribution shall be guilty of a Class III misdemeanor.

(2) Any person, including a candidate or candidate committee, who receives a contribution prohibited by section ~~49-1469.02~~ 26 of this act shall, upon being notified of the violation by the commission, transfer a sum equal to the amount of such contribution to a tax-exempt charitable institution.

Sec. 28. Section 49-1479.01, Reissue Revised Statutes of Nebraska, is amended to read:

49-1479.01. (1) Any contribution by a person made on behalf of or to a candidate or committee, including contributions which are in any way earmarked or otherwise directed to the candidate or committee through an intermediary or agent, shall be considered to be a contribution from the person to the candidate or committee.

(2) For purposes of this section, earmarked shall mean a designation, instruction, or encumbrance, including those which are direct or indirect, express or implied, or oral or written, which results in any part of a contribution or expenditure, including any in-kind expenditure made in exchange for a contribution, being made to or expended on behalf of a candidate or a committee.

(3) Any intermediary or agent, other than a committee, which receives an earmarked contribution shall forward the earmarked contribution to the recipient candidate or committee within ten days after receipt of such contribution.

(4) ~~Any intermediary or agent shall file a report of the earmarked contribution with the commission and the election commissioner or, if there is no election commissioner, with the clerk of the county of residence of the candidate or the county of the headquarters of the committee.~~ An intermediary or agent which is not a committee shall file ~~the report~~ a report of the earmarked contribution with the commission within ten days after receipt of the contribution. Any committee which is an intermediary or agent shall file a report of the earmarked contribution with the commission by the date the next campaign statement is required to be filed. ~~Any intermediary or agent making an earmarked contribution shall disclose to the recipient of the earmarked contribution the name and address of the intermediary or agent and the actual source of the contribution by providing the recipient with a copy of the report of the earmarked contribution at the time that the earmarked contribution is made.~~ The report of the earmarked contribution filed pursuant

to this section shall be on a form prescribed by the commission.

(5) Any intermediary or agent making an earmarked contribution shall disclose to the recipient of the earmarked contribution the name and address of the intermediary or agent and the actual source of the contribution by providing the recipient with a copy of the report of the earmarked contribution at the time that the earmarked contribution is made.

(6) Any person or committee which fails to file a report of an earmarked contribution with the commission as required by this section shall pay to the commission a late filing fee of twenty-five dollars for each day the statement remains not filed in violation of this section not to exceed seven hundred fifty dollars.

~~(6)~~ (7) Any person who knowingly violates the provisions of this section shall be guilty of a Class III misdemeanor.

Sec. 29. Section 49-1469.04, Reissue Revised Statutes of Nebraska, is amended to read:

~~49-1469.04.~~ (1) A major out-of-state contributor shall file with the commission an out-of-state contribution report. An out-of-state contribution report shall be filed on a form prescribed by the commission within ten days after the end of the calendar month in which a person becomes a major out-of-state contributor. For the remainder of the calendar year, a major out-of-state contributor shall file an out-of-state contribution report with the commission within ten days after the end of each calendar month in which the contributor makes a contribution or expenditure.

(2) An out-of-state contribution report shall disclose as to each contribution or expenditure not previously reported (a) the amount, nature, value, and date of the contribution or expenditure, (b) the name and address of the committee, candidate, or person who received the contribution or expenditure, (c) the name and address of the person filing the report, and (d) the name, address, occupation, and employer of each person making a contribution of more than two hundred dollars in the calendar year to the person filing the report.

(3) This section shall not apply to (a) a person who files a report of a contribution or an expenditure pursuant to subsection ~~(1)~~ (2) of section 49-1469, (b) a person required to file a report or campaign statement pursuant to section ~~49-1469~~ 22 of this act, (c) a committee having a statement of organization on file with the commission, or (d) a person or committee registered with the Federal Election Commission.

(4) Any person who fails to file an out-of-state contribution report with the commission as required by this section shall pay to the commission a late filing fee of one hundred dollars for each day the report remains not filed in violation of this section, not to exceed three thousand dollars or ten percent of the amount of the contributions or expenditures which were required to be reported, whichever is greater.

Sec. 30. Section 49-1480.01, Reissue Revised Statutes of Nebraska, is amended to read:

49-1480.01. (1) The Clerk of the Legislature shall collect a fee of ~~one~~ two hundred dollars for an application for registration by a lobbyist for each principal if the lobbyist receives or will receive compensation for such lobbying. Except as provided by section 49-1434, a lobbyist who receives compensation shall include an individual who is an employee or member of a principal whose duties of employment, office, or membership include engaging in lobbying activities.

(2) A fee of fifteen dollars shall be collected for an application by a lobbyist for each principal if the lobbyist is not receiving and will not be receiving compensation for such lobbying. Any lobbyist who receives compensation who did not anticipate receiving such compensation at the time of application for registration shall, within five days of the receipt of any compensation, file an amended registration form which shall be accompanied by an additional fee of one hundred eighty-five dollars for such year.

~~(2)~~ (3) The registration of a lobbyist for each of his or her principals may be renewed by the payment of a fee as provided by ~~subsection (1)~~ subsections (1) and (2) of this section. Such fee shall be paid to the Clerk of the Legislature on or before December 31 of each calendar year. The registration of a lobbyist for each of his or her principals shall terminate as of the end of the calendar year for which the lobbyist registered unless the registration is renewed as provided in this section.

Sec. 31. Section 49-1481, Reissue Revised Statutes of Nebraska, is amended to read:

49-1481. (1) On the fourth legislative day of each legislative session, the Clerk of the Legislature ~~the clerk~~ shall insert the following in the Legislative Journal:

(a) A list of the names of all lobbyists whose registration is

then in effect;

(b) ~~The~~ ~~τ~~ ~~the~~ name of the principal in whose behalf the lobbyist is registered; and

(c) Any ~~τ~~ ~~and~~ ~~any~~ additional information as directed by the Legislature.

(2) ~~On~~ ~~τ~~ ~~and~~ ~~thereafter~~ ~~on~~ the last legislative day of each week after the fourth legislative day, the clerk shall cause to be inserted in the Legislative Journal the names of any additional lobbyists and principals who have registered or who have changed their registration.

Sec. 32. Section 49-1482, Reissue Revised Statutes of Nebraska, is amended to read:

49-1482. The Clerk of the Legislature shall charge a fee pursuant to section 49-1480.01 for each application for registration by a lobbyist for each principal. Such fees when collected shall be remitted to the State Treasurer. Three-fourths of such fees shall be credited equally to the Nebraska Accountability and Disclosure Commission Cash Fund and one-fourth to the Clerk of the Legislature Cash Fund.

Sec. 33. Section 49-1483, Reissue Revised Statutes of Nebraska, is amended to read:

49-1483. (1) Every registered lobbyist who is registered or required to be registered shall, for each of his or her principals, and every file a separate statement for each calendar quarter with the Clerk of the Legislature within thirty days after the end of each calendar quarter. Every principal employing a registered lobbyist, who is registered or required to be registered shall file a separate statement for each calendar quarter with the Clerk of the Legislature within fifteen thirty days after the end of each calendar quarter.

(2) Each statement shall show the following:

(a) The total amount received or expended directly or indirectly for the purpose of carrying on lobbying activities, with the following categories of expenses each being separately itemized: (i) Miscellaneous expenses; (ii) entertainment, including expenses for food and drink as provided in subdivision ~~(2)(b)~~ (3)(a) of this section; (iii) lodging expenses; (iv) travel expenses; (v) lobbyist compensation, except that when a principal retains the services of a person who has only part-time lobbying duties, only the compensation paid which is reasonably attributable to influencing legislative action need be reported; (vi) lobbyist expense reimbursement; (vii) admissions to a state-owned facility or a state-sponsored industry or event as provided in subdivision ~~(2)(b)~~ (3)(a) of this section; and (viii) extraordinary office expenses, if reported directly related to the practice of lobbying;

(b) A detailed statement of any money which is loaned, promised, or paid by a lobbyist, a principal, or anyone acting on behalf of either to an official in the executive or legislative branch or member of such official's staff. The detailed statement shall identify the recipient and the amount and the terms of the loan, promise, or payment; and

(c) The total amount expended for gifts, other than admissions to a state-owned facility or a state-sponsored industry or event, as provided in subdivision ~~(2)(b)~~ (3)(a) of this section.

~~(2)(a) The statement is not required to include office expenses.~~

~~(b) In addition to the entertainment expenses reported under subdivision (1)(a)(ii) of this section, admissions reported under subdivision (1)(a)(vii) of this section, and gifts reported under subdivision (1)(c) of this section, the (3)(a) Each statement shall disclose the aggregate expenses for such entertainment, admissions, and gifts for each of the following categories of elected officials: Members of the Legislature; and officials in the executive branch of the state. Such disclosures shall be in addition to the entertainment expenses reported under subdivision (2)(a)(ii) of this section, admissions reported under subdivision (2)(a)(vii) of this section, and gifts reported under subdivision (2)(c) of this section.~~

~~(c) (b) For purposes of reporting aggregate expenses for entertainment for members of the Legislature and officials in the executive branch of the state as required by subdivision (2)(b) (3)(a) of this section, the reported amount shall include the actual amounts attributable to entertaining members of the Legislature and officials in the executive branch of the state. When the nature of an event at which members of the Legislature are entertained makes it impractical to determine the actual cost, the cost of entertainment shall be the average cost per person multiplied by the number of members of the Legislature in attendance. When the nature of an event at which officials in the executive branch of the state are entertained makes it impractical to determine the actual cost, the cost of entertainment shall be the average cost per person multiplied by the number of officials in the executive branch of the state in attendance. For purposes of this~~

subdivision, the average cost per person means the cost of the event divided by the number of persons expected to attend the event.

~~(d)~~ (4) The lobbyist shall also file any changes or corrections to the information set forth in the registration required pursuant to section 49-1480 so as to reflect the correctness of such information as of the end of each calendar quarter for which such statement is required by this section.

~~(3)~~ (5) If a lobbyist does not expect to receive lobbying receipts from or does not expect to make lobbying expenditures for a principal, the quarterly statements required by this section as to such principal need not be filed by the lobbyist if the principal and lobbyist both certify such facts in writing to the Clerk of the Legislature. A lobbyist exempt from filing quarterly statements pursuant to this section shall (a) file a statement of activity pursuant to section 49-1488 and (b) resume or commence filing quarterly statements with regard to such principal starting with the quarterly period the lobbyist receives lobbying receipts or makes lobbying expenditures for such principal.

~~(4)~~ (6) If a principal does not expect to receive lobbying receipts or does not expect to make lobbying expenditures, the quarterly statements required pursuant to this section need not be filed by the principal if the principal and lobbyist both certify such facts in writing to the Clerk of the Legislature. A principal exempt from filing quarterly statements pursuant to this section shall commence or resume filing quarterly statements starting with the quarterly period the principal receives lobbying receipts or makes lobbying expenditures.

~~(5)~~ (7) A principal shall report the name and address of every person from whom it has received more than one hundred dollars in any one month for lobbying purposes.

(8) For purposes of sections 49-1480 to 49-1492.01, calendar quarter shall mean the first day of January through the thirty-first day of March, the first day of April through the thirtieth day of June, the first day of July through the thirtieth day of September, and the first day of October through the thirty-first day of December.

Sec. 34. Section 49-1486, Reissue Revised Statutes of Nebraska, is amended to read:

49-1486. The registration of a lobbyist shall be valid for a period commencing with the filing of any registration as required by section 49-1480 and ~~shall terminate ending~~ at the end of the calendar year for which the lobbyist registered unless the registration is renewed as provided by section 49-1480.01 or ~~terminated~~ the registration is terminated prior to the end of the calendar year in the manner prescribed by rules and regulations adopted and promulgated by the commission.

Sec. 35. Section 49-1488.01, Reissue Revised Statutes of Nebraska, is amended to read:

49-1488.01. (1) Every lobbyist who fails to file a quarterly statement or a statement of activity with the Clerk of the Legislature, pursuant to sections 49-1483 and 49-1488, shall pay to the commission a late filing fee of twenty-five dollars for each day any of such statements are not filed in violation of such sections but not to exceed seven hundred fifty dollars per statement.

(2) A lobbyist required to pay a late filing fee pursuant to subsection (1) of this section may apply to the commission for relief. The commission by order may reduce the amount of the late filing fee imposed upon such lobbyist if he or she shows the commission that (a) the circumstances indicate no intent to file late, (b) the lobbyist has not been required to pay a late filing fee for two years prior to the time the filing of the statement was due, (c) the late filing of the statement shows that less than five thousand dollars was raised, received, or expended during the reporting period, and (d) a reduction of the late fee would not frustrate the purposes of the Nebraska Political Accountability and Disclosure Act.

(3) A lobbyist required to pay a late filing fee pursuant to subsection (1) of this section who qualifies for an exemption to the filing of quarterly statements pursuant to subsection ~~(3)~~ (5) of section 49-1483 may apply to the commission for relief. The commission by order may reduce or waive the late filing fee and the person shall not be required to make a showing as provided by subsection (2) of this section.

Sec. 36. Section 49-1494, Reissue Revised Statutes of Nebraska, is amended to read:

49-1494. (1) An individual who files to appear on the ballot for election to an elective office specified in section 49-1493 shall:

(a) File file a statement of financial interests for the preceding calendar year at the same time and with the same official with whom the individual files and shall, within five days, file for office; and

(b) File a copy of the statement with the commission within five days after filing for office.

(2) Candidates for the elective offices specified in section 49-1493 who qualify other than by filing shall, within fifteen days after becoming a candidate or within fifteen days after being appointed to that elective office, file a statement for the preceding calendar year with the commission within fifteen days after becoming a candidate or being appointed to that elective office. This section shall not apply to a person who has already filed a statement for the preceding calendar year.

(3) A filing to appear on the ballot shall not be accepted by a filing official unless a statement is properly filed.

(4) Financial interest statements A statement of financial interests shall be preserved for a period of not less than five years by the commission and not less than eighteen months by the officials other than the commission with whom they are it is filed. and for a period of not less than five years by the commission.

~~(2)~~ (5) This section does not apply to a person who has already filed a statement for the preceding calendar year.

(6) If the candidate for an elective office specified in section 49-1493 files to appear on the ballot for election prior to January 1 of the year in which the election is held, the candidate shall file supplementary statements with the appropriate filing officials on or before April 1 of the year in which the election is held covering the preceding calendar year.

Sec. 37. Section 49-1496, Reissue Revised Statutes of Nebraska, is amended to read:

49-1496. (1) The statement of financial interests filed pursuant to sections 49-1493 to 49-14,104 shall be on a form prescribed by the commission.

(2) Individuals required to file under sections 49-1493 to 49-1495 shall file the following information for themselves:

(a) The name and address of and the nature of association with any business with which the individual was associated; and any entity in which a position of trustee was held during the preceding year;

(b) The name and address of any entity in which a position of trustee was held;

(c) The name, address, and nature of business of a person, including a government, political subdivision, or body corporate, or government body from whom any income in the value of one thousand dollars or more was received during the preceding year and the nature of the services rendered, except that the identification of patrons, customers, patients, or clients of such person from which employment income was received is not required; - If income results from employment by, operation of, or participation in a proprietorship, partnership, limited liability company, professional corporation or business or nonprofit corporation, or other person, the person may list the proprietorship, partnership, limited liability company, professional corporation or business or nonprofit corporation, or other person as the source and not the patrons, customers, patients, or clients of the proprietorship, partnership, limited liability company, professional corporation or business or nonprofit corporation, or other person;

~~(e)~~ (d) A description, but not the value, of the following, if the fair market value thereof exceeded one thousand dollars:

(i) The nature and location of all real property in the state, except the residence of the individual; ~~the~~

(ii) The depository of checking ~~accounts~~ and savings accounts; ~~the~~

(iii) The issuer of stocks, bonds, and government securities; and a

(iv) A description of all other property owned or held for the production of income, except property owned or used by a business with which the individual was associated;

~~(d)~~ (e) The name and address of each creditor to whom the value of one thousand dollars or more was owed or guaranteed by the ~~filer~~ individual or a member of the ~~filer's~~ individual's immediate family, except for the following:

(i) ~~-~~ Accounts payable;

(ii) Debts ~~debts~~ arising out of retail installment transactions;

(iii) ~~Loans or from loans~~ made by financial institutions in the ordinary course of business;

(iv) ~~Loans - loans~~ from a relative; and

(v) ~~Land - and land~~ contracts that have been properly recorded with the county clerk or the register of deeds; ~~need not be included;~~

~~(e)~~ (f) The name, address, and occupation or nature of business of any person from whom a gift in the value of more than one hundred dollars was received, a description of the gift and the circumstances of the gift, and the monetary value category of the gift, and the circumstances of the gift. For

~~purposes of this subdivision, the monetary value of gifts shall be categorized based on a good faith estimate by the individual, reported in the following categories: required to report as follows: Category~~

- ~~(i)+ \$100.01 - \$200; category~~
- ~~(ii)+ \$200.01 - \$500; category~~
- ~~(iii)+ \$500.01 - \$1,000; and category~~
- ~~(iv)+ \$1,000.01 or more; and~~

~~(f) (g) Such other information as the person required to file the statement individual or the commission deems necessary, after notice and hearing, to carry out the purposes of the Nebraska Political Accountability and Disclosure Act.~~

Sec. 38. Section 49-1497, Reissue Revised Statutes of Nebraska, is amended to read:

49-1497. (1) ~~As used in~~ For purposes of section 49-1496, financial institution shall mean a means:

- (a) A bank or banking corporation as defined in section 8-101;
- (b) A ~~τ~~ a federal bank or branch bank;
- (c) An ~~τ~~ an insurance company providing a loan on an insurance policy;
- (d) A ~~τ~~ a small loan company;
- (e) A ~~τ~~ or a state or federal savings and loan association or credit union; or
- (f) The ~~τ~~ the federal government or any political subdivision thereof.

(2) ~~A person need not report the~~ The res or the income of an irrevocable trust of a member of the ~~person's~~ individual's immediate family is not required to be reported pursuant to section 49-1496.

Sec. 39. Section 49-1499, Reissue Revised Statutes of Nebraska, is amended to read:

49-1499. (1) A member of the Legislature who would be required to take any action or make any decision in the discharge of his or her official duties that may cause financial benefit or detriment to him or her, a member of his or her immediate family, or a business with which he or she is associated, which is distinguishable from the effects of such action on the public generally or a broad segment of the public, shall take the following actions as soon as he or she is aware of such potential conflict or should reasonably be aware of such potential conflict, whichever is sooner:

(a) Prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict, and if he or she will not abstain from voting, deliberating, or taking other action on the matter, the statement shall state why, despite the potential conflict, he or she intends to vote or otherwise participate; and

(b) Deliver a copy of the statement to the commission and to the Speaker of the Legislature who shall cause the statement to be filed with the Clerk of the Legislature to be held as a matter of public record.

(2) Nothing in this section shall prohibit any member of the Legislature from voting, deliberating, or taking other action on any matter that comes before the Legislature.

(3) The member of the Legislature may abstain from voting, deliberating, or taking other action on the matter on which the potential conflict exists. He ~~τ~~, in which case he or she may have the reasons for the abstention recorded in the Legislative Journal. ~~journal or minutes of the Legislature. Nothing in this section shall be construed to prohibit any member of the Legislature from voting, deliberating, or taking other action on any matter that comes before the body.~~

Sec. 40. Section 49-1499.01, Reissue Revised Statutes of Nebraska, is amended to read:

49-1499.01. (1) An official or employee of the executive branch of state government shall not employ or recommend or supervise the employment of an immediate family member in state government.

(2) This section does not apply to an immediate family member of an official or employee of the executive branch of state government who (a) was previously employed in a position subject to this section prior to the election or appointment of the official or employee or (b) was employed in a position subject to this section prior to September 1, 2001.

(3) Prior to, upon, or as soon as reasonably possible after the official date of taking office, a newly elected or appointed official or employee in the executive branch of state government shall make a full disclosure of any immediate family member employed in a position subject to subdivision (2) (a) or (b) of this section.

~~(3) (4) Any person violating this section shall be guilty of a Class III misdemeanor.~~

Sec. 41. Section 49-1499.02, Reissue Revised Statutes of Nebraska, is amended to read:

49-1499.02. (1) An official or employee of the executive branch of state government who would be required to take any action or make any decision in the discharge of his or her official duties that may cause financial benefit or detriment to him or her, a member of his or her immediate family, or a business with which he or she is associated, which is distinguishable from the effects of such action on the public generally or a broad segment of the public, shall take the following actions as soon as he or she is aware of such potential conflict or should reasonably be aware of such potential conflict, whichever is sooner:

(a) Prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict; and

(b) Deliver a copy of the statement to the commission and to his or her immediate superior, if any, who shall assign the matter to another. If the immediate superior does not assign the matter to another or if there is no immediate superior, the official or employee shall take such action as the commission shall advise or prescribe to remove himself or herself from influence over the action or decision on the matter.

(2) This section does not prevent such a person from (a) making or participating in the making of a governmental decision to the extent that the individual's participation is legally required for the action or decision to be made or (b) making or participating in the making of a governmental decision if the potential conflict of interest is based upon a business association and the business association exists only as the result of his or her position on a commodity board. A person acting pursuant to subdivision (a) of this subsection shall report the occurrence to the commission.

(3) For purposes of this section, commodity board means only the following:

(a) Corn Development, Utilization, and Marketing Board;

(b) ~~the~~ Nebraska Dairy Industry Development Board;

(c) ~~the~~ Grain Sorghum Development, Utilization, and Marketing Board;

(d) ~~the~~ Nebraska Wheat Development, Utilization, and Marketing Board;

(e) ~~the~~ Dry Bean Commission;

(f) ~~the~~ Nebraska Potato Development Committee; and

(g) ~~and the~~ Nebraska Poultry and Egg Development, Utilization, and Marketing Committee.

Sec. 42. Section 49-1499.03, Reissue Revised Statutes of Nebraska, is amended to read:

49-1499.03. (1)(a) An official of a political subdivision designated in section 49-1493 ~~and a member of any school board~~ who would be required to take any action or make any decision in the discharge of his or her official duties that may cause financial benefit or detriment to him or her, a member of his or her immediate family, or a business with which he or she is associated, which is distinguishable from the effects of such action on the public generally or a broad segment of the public, shall take the following actions as soon as he or she is aware of such potential conflict or should reasonably be aware of such potential conflict, whichever is sooner:

~~(a)~~ (i) Prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict; and

~~(b)~~ (ii) Deliver a copy of the statement to the commission and to the person in charge of keeping records for the political subdivision who shall enter the statement onto the public records of the subdivision.

(b) The official shall take such action as the commission shall advise or prescribe to remove himself or herself from influence over the action or decision on the matter.

~~(2) This section~~ (c) This subsection does not prevent such a person from making or participating in the making of a governmental decision to the extent that the individual's participation is legally required for the action or decision to be made. A person acting pursuant to this ~~subsection~~ subdivision shall report the occurrence to the commission.

(2)(a) Any person holding an elective office of a city or village not designated in section 49-1493 and any person holding an elective office of a school district who would be required to take any action or make any decision in the discharge of his or her official duties that may cause financial benefit or detriment to him or her, a member of his or her immediate family, or a business with which he or she is associated, which is distinguishable from the effects of such action on the public generally or a broad segment of the public, shall take the following actions as soon as he or she is aware of such potential conflict or should reasonably be aware of such

potential conflict, whichever is sooner:

(i) Prepare a written statement describing the matter requiring action or decision and the nature of the potential conflict;

(ii) Deliver a copy of the statement to the person in charge of keeping records for the city, village, or school district who shall enter the statement onto the public records of the city, village, or school district; and

(iii) Abstain from participating or voting on the matter in which the person holding elective office has a conflict of interest.

(b) The person holding elective office may apply to the commission for an opinion as to whether the person has a conflict of interest.

(3) ~~Either sections 49-14,102 and 49-14,103 or sections 49-14,103.01 to 49-14,103.06~~ apply to interests in contracts by officials of a political subdivision. Matters involving an interest in a contract are governed either by sections 49-14,102 and 49-14,103 or by sections 49-14,103.01 to 49-14,103.06. Matters involving the hiring of an immediate family member are governed by section 49-1499.01 or 49-1499.04.

Sec. 43. Section 49-1499.04, Reissue Revised Statutes of Nebraska, is amended to read:

49-1499.04. (1) An official or employee of a political subdivision may employ or recommend or supervise the employment of an immediate family member if (a) he or she does not abuse his or her official position as described in section 49-1499.05, (b) he or she makes a full disclosure on the record to the governing body of the political subdivision and a written disclosure to the person in charge of keeping records for the governing body, and (c) the governing body of the political subdivision approves the employment or supervisory position.

(2) No official or employee shall employ an immediate family member (a) without first having made a reasonable solicitation and consideration of applications for such employment, (b) who is not qualified for and able to perform the duties of the position, (c) for any unreasonably high salary, or (d) who is not required to perform the duties of the position.

(3) No official or employee of a political subdivision shall terminate the employment of another employee so as to make funds or a position available for the purpose of hiring an immediate family member.

(4) This section does not apply to an immediate family member of an official or employee who (a) was previously employed in a position subject to this section prior to the election or appointment of the official or employee or (b) was employed in a position subject to provisions similar to this section prior to September 1, 2001.

(5) Prior to, upon, or as soon as reasonably possible after the official date of taking office, a newly elected or appointed official or employee shall make a full disclosure of any immediate family member employed in a position subject to subdivision (4) (a) or (b) of this section.

Sec. 44. Section 49-14,101.01, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,101.01. (1) A public official or public employee shall not use or authorize the use of ~~for personal financial gain, financial gain of a member of his or her immediate family, or financial gain of a business with which he or she is associated, other than compensation provided by law, (a) that person's his or her public office or any confidential information received through the holding of a public office or (b) to obtain financial gain, other than compensation provided by law, for himself or herself, a member of his or her immediate family, or a business with which the individual is associated.~~

(2) A public official or public employee shall not use or authorize the use of personnel, resources, property, or funds under that person's his or her official care and control other than in accordance with prescribed constitutional, statutory, and regulatory procedures or use such items, other than compensation provided by law, for personal financial gain.

~~(2)~~ (3) A public official shall not accept a gift of travel or lodging or a gift of reimbursement for travel or lodging if the gift is made so that a member of the public official's immediate family can accompany the public official in the performance of his or her official duties.

~~(3)~~ (4) A member of the immediate family of a public official shall not accept a gift of travel or lodging or a gift of reimbursement for travel or lodging if the gift is made so that a member of the public official's immediate family can accompany the public official in the performance of his or her official duties.

~~(4)~~ (5) This section does not prohibit the Executive Board of the Legislative Council from adopting policies that allow a member of the Legislature to install and use with private funds a telephone line, telephone,

and telefax machine in his or her public office for private purposes.

~~(5)~~ (6) Except as provided in section 23-3113, any person violating this section shall be guilty of a Class III misdemeanor, except that no vote by any member of the Legislature shall subject such member to any criminal sanction under this section.

Sec. 45. Section 49-14,101.02, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,101.02. (1) For purposes of this section, public resources means personnel, property, resources, or funds under the official care and control of a public official or public employee.

(2) Except as otherwise provided in this section, a public official or public employee shall not use or authorize the use of ~~personnel, property, resources, or funds under his or her official care and control~~ public resources for the purpose of campaigning for or against the nomination or election of a candidate or the qualification, passage, or defeat of a ballot question.

~~(2)~~ (3) This section does not prohibit a public official or public employee from making government facilities available to a person for campaign purposes if the identity of the candidate or the support for or opposition to the ballot question is not a factor in making the government facility available or a factor in determining the cost or conditions of use.

~~(3)~~ (4) This section does not prohibit a governing body from discussing and voting upon a resolution supporting or opposing a ballot question or a public corporation organized under Chapter 70 from otherwise supporting or opposing a ballot question concerning the sale or purchase of its assets.

~~(4)~~ (5) This section does not prohibit a public official from responding to specific inquiries by the press or the public as to his or her opinion regarding a ballot question or from providing information in response to a request for information.

~~(5)~~ (6) This section does not prohibit a member of the Legislature from making use of public resources in expressing his or her opinion regarding a candidate or a ballot question or from communicating that opinion. ~~to his or her constituents.~~ A member is not authorized by this section to utilize mass mailings or other mass communications at public expense for the purpose of ~~qualifying, supporting, or opposing a ballot question or for the purpose of~~ campaigning for or against the nomination or election of a candidate. A member is not authorized by this section to utilize mass mailings at public expense for the purpose of qualifying, supporting, or opposing a ballot question.

~~(6)~~ This section does not prohibit a public employee from engaging in campaign activity except during his or her government work time or when otherwise engaged in his or her official duties.

(7) Nothing in this section prohibits a public official from campaigning for or against the qualification, passage, or defeat of a ballot question or the nomination or election of a candidate when no public resources are used.

(8) Nothing in this section prohibits a public employee from campaigning for or against the qualification, passage, or defeat of a ballot question or the nomination or election of a candidate when no public resources are used. Except as otherwise provided in this section, a public employee shall not engage in campaign activity for or against the qualification, passage, or defeat of a ballot question or the nomination or election of a candidate while on government work time or when otherwise engaged in his or her official duties.

(9) This section does not prohibit an employee of the Legislature from using public resources consistent with this section for the purpose of researching or campaigning for or against the qualification, passage, or defeat of a ballot question if the employee is under the direction and supervision of a member of the Legislature.

Sec. 46. Section 49-14,102, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,102. (1) Except as otherwise provided by law, no public official or public employee, a member of that individual's immediate family, or business with which the individual is associated shall enter into a contract valued at two thousand dollars or more, in any one year, with a ~~governmental~~ government body unless the contract is awarded through an open and public process.

(2) For purposes of this section, an open and public process which includes prior public notice and subsequent availability for public inspection during the regular office hours of the contracting ~~governmental~~ government body of the proposals considered and the contract awarded.

(3) No contract may be divided for the purpose of evading the requirements of this section.

(4) This section shall not apply to a contract when the public official or public employee does not in any way represent either party in the transaction. ~~This section is intended to prevent~~

(5) This section prohibits public officials and public employees from engaging in certain activities under circumstances creating a substantial conflict of interest. This section and is not intended to penalize innocent persons, and a contract shall not be absolutely void by reason of this section.

Sec. 47. Section 49-14,103, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,103. (1) A contract involving a prohibited conflict of interest under section 49-14,102 shall be voidable only by decree of a court of proper jurisdiction in an action brought by any citizen of this state as to any person that entered into the contract or took assignment thereof, with actual knowledge of the prohibited conflict. In the case of a person other than an individual, the actual knowledge must be that of an individual or body finally approving the contract for the person.

(2) An action to void any contract shall be brought within one year after discovery of circumstances suggesting the existence of a violation. ~~To meet the ends of justice any such decree may~~

(3) Any such decree voiding such contract may, to meet the ends of justice, provide for the reimbursement of any person for the reasonable value of all money, goods, material, labor, or services furnished under the contract, to the extent that the state or political subdivision has benefited thereby.

~~(2)~~ (4) Sections 49-14,102 and 49-14,103 shall not apply to a contract for labor which is negotiated or is being negotiated pursuant to the laws of this state.

Sec. 48. Section 49-14,103.01, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,103.01. (1) For purposes of sections 49-14,103.01 to 49-14,103.06, unless the context otherwise requires, officer means (a) a member of the board of directors of a natural resources district, (b) a member of any board or commission of any county, school district, city, or village which spends and administers its own funds, who is dealing with a contract made by such board or commission, (c) any elected county, school district, educational service unit, city, or village official, and (d) a member of any board of directors or trustees of a ~~district~~ hospital district as provided by the Nebraska Local Hospital District Act or a county hospital as provided by sections 23-3501 to 23-3519. Officer does not mean volunteer firefighters or ambulance drivers with respect to their duties as firefighters or ambulance drivers.

(2) Except as provided in section 49-1499.04 or 70-624.04, no officer may have an interest in any contract to which his or her governing body, or anyone for its benefit, is a party. The existence of such an interest in any contract shall render the contract voidable by decree of a court of competent jurisdiction as to any person who entered into the contract or took assignment of such contract with actual knowledge of the prohibited conflict.

(3) An action to have a contract declared void under this section may be brought by the county attorney, the governing body, or any resident within the jurisdiction of the governing body and shall be brought within one year after the contract is signed or assigned. The decree may provide for the reimbursement of any person for the reasonable value of all money, goods, material, labor, or services furnished under the contract, to the extent that the governing body has benefited thereby.

(4) The prohibition in this ~~subsection~~ section shall apply only when the officer or his or her parent, spouse, or child (a) has a business association as defined in section 49-1408 with the business involved in the contract or (b) will receive a direct pecuniary fee or commission as a result of the contract.

~~(3)~~ ~~Subsection (2) of~~ (5) The prohibition in this section does not apply if the contract is an agenda item approved at a board meeting and the interested officer:

(a) Makes a declaration on the record to the governing body responsible for approving the contract regarding the nature and extent of his or her interest prior to official consideration of the contract;

(b) Does not vote on the matters of granting the contract, making payments pursuant to the contract, or accepting performance of work under the contract, or similar matters relating to the contract, except that if the

number of members of the governing body declaring an interest in the contract would prevent the body with all members present from securing a quorum on the issue, then all members may vote on the matters; and

(c) Does not act for the governing body which is party to the contract as to inspection or performance under the contract in which he or she has an interest.

~~(4)~~ (6) An officer who (a) has no business association as defined in section 49-1408 with the business involved in the contract or (b) will not receive a direct pecuniary fee or commission as a result of the contract shall not be deemed to have an interest within the meaning of this section.

~~(5)~~ (7) The receiving of deposits, cashing of checks, and buying and selling of warrants and bonds of indebtedness of any such governing body by a financial institution shall not be considered a contract for purposes of this section. The ownership of less than five percent of the outstanding shares of a corporation shall not constitute an interest within the meaning of this section.

~~(6)~~ (8) If an officer's parent, spouse, or child is an employee of his or her governing body, the officer may vote on all issues of the contract which are generally applicable to (a) all employees or (b) all employees within a classification and do not single out his or her parent, spouse, or child for special action.

~~(7)~~ (9) Section 49-14,102 ~~shall~~ does not apply to contracts covered by sections 49-14,103.01 to 49-14,103.06.

~~(8)~~ ~~Nothing in this section shall~~ (10) (a) This section does not prohibit a director of a natural resources district from acting as a participant in any of the conservation or other general district programs which are available for like participation to other residents and landowners of the district or from granting, selling, or otherwise transferring to such district any interest in real property necessary for the exercise of its powers and authorities if the cost of acquisition thereof is equal to or less than that established by a board of three registered, licensed, certified residential, or certified general real estate appraisers or by a court of competent jurisdiction in an eminent domain proceeding.

(b) District payments to a director of a natural resources district of the fair market value for real property owned by him or her and needed for district projects, or for cost sharing for conservation work on such director's land or land in which a director may have an interest, shall not be deemed subject to this section.

Sec. 49. Section 49-14,103.02, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,103.02. (1) The person charged with keeping records for each governing body shall maintain separately from other records a ledger containing the information listed in subdivisions ~~(1)~~ (1) (a) through ~~(5)~~ (e) of this section about every contract entered into by the governing body in which an officer of the body has an interest and for which disclosure is made pursuant to section 49-14,103.01. Such information shall be kept in the ledger for five years from the date of the officer's last day in office and shall include the:

- ~~(1)~~ (a) Names of the contracting parties;
- ~~(2)~~ (b) Nature of the interest of the officer in question;
- ~~(3)~~ (c) Date that the contract was approved by the governing body;
- ~~(4)~~ (d) Amount of the contract; and
- ~~(5)~~ (e) Basic terms of the contract.

(2) The information supplied relative to the contract shall be provided no later than ten days after the contract has been signed by both parties. The ledger kept pursuant to this section shall be available for public inspection during the normal working hours of the office in which it is kept.

Sec. 50. Section 49-14,103.03, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,103.03. (1) An open account established for the benefit of any governing body with a business in which an officer has an interest shall be deemed a contract subject to sections 49-14,103.01 to 49-14,103.06.

(2) The statement required to be filed by section 49-14,103.02 shall be filed within ten days after such account is opened. Thereafter, the person charged with keeping records for such governing body shall maintain a running account of amounts purchased on the open account.

(3) Purchases made from petty cash or a petty cash fund shall not be subject to sections 49-14,103.01 to 49-14,103.06.

Sec. 51. Section 49-14,103.04, Reissue Revised Statutes of Nebraska, is amended to read:

- (1) Any officer who knowingly violates sections

49-14,103.01 to 49-14,103.03 shall be guilty of a Class III misdemeanor.

(2) Any officer who negligently violates sections 49-14,103.01 to 49-14,103.03 shall be guilty of a Class V misdemeanor.

Sec. 52. Section 49-14,104, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,104. (1) An official or full-time employee of the executive branch of state government shall not represent a person or act as an expert witness for compensation before a ~~governmental~~ government body when the action or nonaction of the ~~governmental~~ government body is of a nonministerial nature, except in a matter of public record in a court of law.

(2) This ~~, but this~~ prohibition shall not apply to an official or employee acting in an official capacity.

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

Sec. 53. Section 49-14,112, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,112. (1) When a vacancy occurs by expiration of a term of office or otherwise, which vacancy is subject to an appointment from a list pursuant to the provisions of section 49-14,105, such list shall be submitted to the Governor or the Secretary of State not later than thirty days after such vacancy occurs.

(2) If the appointment is subject to a list pursuant to subdivision (1)(a) of section 49-14,105, and the Legislature is not in session, such list may be submitted by the Executive Board of the Legislative Council.

(3) The Governor or the Secretary of State shall make his or her appointment within thirty days of receiving the list provided for in section 49-14,105 unless two or more of the individuals whose names appear on the list are unwilling to withdraw from activities or resign from positions as required by section 49-14,114. If such individuals are unwilling to so withdraw or resign, the Governor or the Secretary of State shall notify the provider of the list. Within thirty days after such notification is received, a new list of names of at least five individuals shall be submitted to the Governor or Secretary of State. Such new list shall not include the individuals included in the initial list who were unwilling to withdraw from activities or resign from positions as required by section 49-14,114.

(4) The Governor or Secretary of State shall appoint an individual from the new list within thirty days of receipt unless two or more of the individuals whose names appear on the second list are unwilling to withdraw from activities or resign from positions as required by section 49-14,114. In such event, the Governor or Secretary of State shall appoint an individual of his or her own choosing within thirty days after the receipt of the new list.

(5) If the Governor or Secretary of State does not receive the initial list within thirty days of a vacancy, the Governor or Secretary of State may make an appointment of his or her own choosing. If the Governor or Secretary of State does not receive the second list within thirty days after notification to the provider of the list, the Governor or Secretary of State may make an appointment of his or her own choosing.

(6) All appointments of the Governor or Secretary of State shall be subject to the provisions of sections 49-14,106 and 49-14,110 and subsection (2) of section 49-14,111.

~~(2)~~ (7) No individual appointed to the commission shall serve more than one full six-year term on the commission.

Sec. 54. Section 49-14,115, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,115. No member or employee of the commission shall disclose or discuss any statements, reports, records, testimony, or other information or material deemed confidential by ~~sections 49-1401 to 49-14,138~~ the Nebraska Political Accountability and Disclosure Act unless ordered by a court or except as necessary in the proper performance of such member's or employee's duties under ~~sections 49-1401 to 49-14,138~~ the act. Any member who violates this section shall be guilty of a Class III misdemeanor.

Sec. 55. Section 49-14,120, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,120. The ~~Governor and the~~ Secretary of State shall receive no compensation for ~~their~~ services as a commission ~~members~~ member other than any salary allowed ~~them~~ by law, but shall be reimbursed for ~~their~~ actual and necessary expenses. The appointed members shall be paid a per diem of fifty dollars for each day actually and necessarily engaged in the performance of their duties as members of such commission in addition to such expense allowance. Reimbursement for expenses shall be as provided in sections 81-1174 to 81-1177. ~~for state employees.~~

Sec. 56. Section 49-14,123, Reissue Revised Statutes of Nebraska,

is amended to read:

49-14,123. In addition to any other duties prescribed by law, the commission shall:

(1) Prescribe and publish, after notice and opportunity for public comment, rules and regulations to carry out the Campaign Finance Limitation Act and the Nebraska Political Accountability and Disclosure Act pursuant to the Administrative Procedure Act;

(2) Prescribe forms for statements and reports required to be filed pursuant to the Campaign Finance Limitation Act and the Nebraska Political Accountability and Disclosure Act and furnish such forms to persons required to file such statements and reports;

(3) Prepare and publish one or more manuals explaining the duties of all persons and other entities required to file statements and reports by the acts and setting forth recommended uniform methods of accounting and reporting for such filings;

(4) Accept and file any reasonable amount of information voluntarily supplied that exceeds the requirements of the acts;

(5) Make statements and reports filed with the commission available for public inspection and copying during regular office hours and make copying facilities available at a cost of not more than fifty cents per page;

(6) Compile and maintain an index of all reports and statements filed with the commission to facilitate public access to such reports and statements;

(7) Prepare and publish summaries of statements and reports filed with the commission and special reports and technical studies to further the purposes of the acts;

(8) Review all statements and reports filed with the commission in order to ascertain whether any person has failed to file a required statement or has filed a deficient statement;

(9) Preserve statements and reports filed with the commission for a period of not less than five years from the date of receipt;

(10) Issue and publish advisory opinions on the requirements of the acts upon the request of a person or ~~governmental~~ government body directly covered or affected by the acts. Any such opinion rendered by the commission, until amended or revoked, shall be binding on the commission in any subsequent charges concerning the person or ~~public~~ government body who requested the opinion and who acted in reliance on it in good faith unless material facts were omitted or misstated by the person or government body in the request for the opinion;

(11) Act as the primary civil and criminal enforcement agency for violations of the Nebraska Political Accountability and Disclosure Act and the rules or regulations promulgated thereunder, act as the primary civil enforcement agency for violations of the Campaign Finance Limitation Act and the rules or regulations promulgated thereunder, and act concurrently with the Attorney General in prosecuting criminal violations of the Campaign Finance Limitation Act;

(12) Receive all late filing fees, civil penalties, and interest imposed pursuant to the Campaign Finance Limitation Act or the Nebraska Political Accountability and Disclosure Act, seek the return of any amount as provided in section 32-1606, and seek the repayment of any amount as provided in section 32-1607 and remit all such funds to the State Treasurer for credit to the Campaign Finance Limitation Cash Fund; and

(13) Prepare and distribute to the appropriate local officials statements of financial interest, campaign committee organization forms, filing instructions and forms, and such other forms as the commission may deem appropriate.

Sec. 57. Section 49-14,124, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,124. ~~Upon a complaint signed under oath by any person which contains sufficient information to indicate that there is at least a reasonable belief that a violation has occurred, upon the recommendation of the executive director, or upon its own motion, the~~ (1) The commission shall, by way of preliminary investigation, investigate any alleged violation of the Nebraska Political Accountability and Disclosure Act, or any rule or regulation adopted and promulgated thereunder, upon:

(a) The receipt of a complaint signed under oath which contains at least a reasonable belief that a violation has occurred;

(b) The recommendation of the executive director; or

(c) The commission's own motion. ~~Upon the recommendation of the executive director or upon its own motion, the~~

(2) The commission shall, by way of preliminary investigation, investigate any alleged violation of the Campaign Finance Limitation Act, or

any rule or regulation promulgated thereunder, upon:

(a) The recommendation of the executive director; or

(b) The commission's own motion. Each governmental body shall cooperate with the commission in the conduct of its investigations. All commission proceedings and records relating to preliminary investigations shall be confidential until a final determination is made by the commission unless the person alleged to be in violation of the Nebraska Political Accountability and Disclosure Act or the Campaign Finance Limitation Act requests that the proceedings be public.

(3) The executive director shall notify any person under investigation by the commission of the investigation and of the nature of the alleged violation within five days after the commencement of the investigation.

(4) Within fifteen days after the filing of a sworn complaint by a person alleging a violation, and every thirty days thereafter until the matter is terminated, the executive director shall notify the complainant and the alleged violator of the action taken to date by the commission together with the reasons for such action or for nonaction.

(5) Each governing body shall cooperate with the commission in the conduct of its investigations.

Sec. 58. All commission proceedings and records relating to preliminary investigations shall be confidential until a final determination is made by the commission unless the person alleged to be in violation of the Nebraska Political Accountability and Disclosure Act or the Campaign Finance Limitation Act requests that the proceedings be public. If the commission determines that there was no violation of either act or any rule or regulation adopted and promulgated under either act, the records and actions relative to the investigation and determination shall remain confidential unless the alleged violator requests that the records and actions be made public. If the commission determines that there was a violation, the records and actions shall be made public as soon as practicable after the determination is made.

Sec. 59. Section 49-14,125, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,125. (1) If, after a preliminary investigation, it is determined by a majority vote of the commission that there is no probable cause for belief that a person has violated the Nebraska Political Accountability and Disclosure Act or the Campaign Finance Limitation Act or any rule or regulation adopted and promulgated thereunder or if the commission determines that there is insufficient evidence to reasonably believe that the person could be found to have violated either act, the commission shall terminate the investigation and so notify the complainant and the person who had been under investigation.

(2) If, after a preliminary investigation, it is determined by a majority vote of the commission that there is probable cause for belief that the Nebraska Political Accountability and Disclosure Act or the Campaign Finance Limitation Act or a rule or regulation adopted and promulgated thereunder has been violated and if the commission determines that there is sufficient evidence to reasonably believe that the person could be found to have violated either act, the commission shall initiate appropriate proceedings to determine whether there has in fact been a violation. The commission may appoint a hearing officer to preside over the proceedings.

(3) All proceedings of the commission pursuant to this subsection shall be by closed session attended only by those persons necessary to the investigation of the alleged violation, unless the person alleged to be in violation of either act or any rule or regulation adopted and promulgated thereunder requests an open session.

(4) The commission shall have the powers possessed by the courts of this state to issue subpoenas and cause them to be served and enforced.

(5) All testimony shall be under oath which shall be administered by a member of the commission, the hearing officer, or any other person authorized by law to administer oaths and affirmations.

(6) Any person who appears before the commission shall have all of the due process rights, privileges, and responsibilities of a witness appearing before the courts of this state.

(7) All witnesses summoned before the commission shall receive reimbursement as paid in like circumstances in the district court.

(8) Any person whose name is mentioned during a proceeding of the commission and who may be adversely affected thereby shall be notified and may appear personally before the commission on that person's own behalf or file a written statement for incorporation into the record of the proceeding.

(9) The commission shall cause a record to be made of all proceedings pursuant to this subsection section.

(10) At the conclusion of proceedings concerning an alleged violation, the commission shall ~~immediately begin deliberations~~ deliberate on the evidence and then proceed to determine by majority vote of the members present whether there has been a violation of the Campaign Finance Limitation Act or the Nebraska Political Accountability and Disclosure Act. ~~If the commission determines that there was no violation of either act or any rule or regulation, the records and actions relative to the investigation and determination shall remain confidential unless the alleged violator requests that the records and actions be made public. If the commission determines that there was a violation, the records and actions shall be made public as soon as practicable after the determination is made.~~

Sec. 60. Section 49-14,127, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,127. Any individual who believes that a violation of ~~sections 49-1401 to 49-14,138~~ the Nebraska Political Accountability and Disclosure Act has occurred may, after exhausting the administrative remedies provided by ~~sections 49-1401 to 49-14,138~~ the act, bring a civil action to compel the commission to fulfill its responsibilities under ~~sections 49-1401 to 49-14,138~~ the act, or may bring a civil action against any person or persons to compel compliance with the ~~provisions of sections 49-1401 to 49-14,138~~ act.

Sec. 61. Section 49-14,132, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,132. Information copied from campaign statements, registration forms, activity reports, statements of financial interest, and other filings required by ~~sections 49-1401 to 49-14,138~~ the Nebraska Political Accountability and Disclosure Act shall not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, except that (1) the name and address of any political committee, corporation, labor organization, or industry, trade, or professional association may be used for soliciting contributions from such committee, corporation, organization, or association and (2) the use of information copied or otherwise obtained from statements, forms, reports, and other filings required by ~~sections 49-1401 to 49-14,138~~ the act in newspapers, magazines, books, or other similar communications is permissible as long as the principal purpose of using such information is not to communicate any contributor information listed thereon for the purpose of soliciting contributions or for other commercial purposes.

Sec. 62. Section 49-14,135, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,135. (1) Except as otherwise provided in ~~sections 49-1401 to 49-14,138~~ the Nebraska Political Accountability and Disclosure Act, any person who violates the confidentiality of a commission proceeding pursuant to ~~sections 49-1401 to 49-14,138~~ the act shall be guilty of a Class III misdemeanor.

(2) A person who willfully affirms or swears falsely in regard to any material matter before a commission proceeding pursuant to ~~sections 49-1401 to 49-14,138~~ the act shall be guilty of a Class IV felony.

Sec. 63. Section 49-14,136, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,136. Prosecution for violation of ~~sections 49-1401 to 49-14,138~~ the Nebraska Political Accountability and Disclosure Act shall be commenced within three years after the date on which the violation occurred.

Sec. 64. Section 49-14,137, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,137. The penalties prescribed in ~~sections 49-1401 to 49-14,138~~ the Nebraska Political Accountability and Disclosure Act do not limit the power of the Legislature to discipline its own members or impeach a public official, and do not limit the power of agencies or commissions to discipline officials or employees.

Sec. 65. Section 49-14,138, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,138. No political subdivision or municipality within the State of Nebraska in which candidates for their elective offices or elected officials are subject to the requirements of ~~sections 49-1401 to 49-14,138~~ the Nebraska Political Accountability and Disclosure Act shall require compliance with local provisions governing campaign receipts and expenditures or financial disclosures which are different from those established by ~~sections 49-1401 to 49-14,138~~ the act.

Sec. 66. Section 49-14,139, Reissue Revised Statutes of Nebraska, is amended to read:

49-14,139. The county clerk or election commissioner in each county shall distribute forms prepared by the ~~Nebraska Accountability and Disclosure Commission~~ commission to any person, as defined in ~~section 49-1438~~, required

to file any statement or report pursuant to ~~sections 49-1401 to 49-1479 and 49-1493 to 49-14,138~~ the Nebraska Political Accountability and Disclosure Act other than forms or statements under sections 49-1480 to 49-1492.01. Such forms shall include, but not be limited to, filing forms and instructions, statements of financial interest, and campaign committee organization forms.

Sec. 67. Section 50-114.05, Reissue Revised Statutes of Nebraska, is amended to read:

50-114.05. The Clerk of the Legislature Cash Fund is hereby created. The fund shall consist of funds received by the Clerk of the Legislature pursuant to sections 49-1480.01 and 49-1482. The fund shall be used by the Clerk of the Legislature to perform the duties required by sections 49-1480 to ~~49-1488.01~~ 49-1492.01. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 68. This act becomes operative on January 1, 2006.

Sec. 69. Original sections 32-1603, 49-1401, 49-1409, 49-1413, 49-1419, 49-1420, 49-1445 to 49-1446.04, 49-1446.06, 49-1447, 49-1453, 49-1458, 49-1461.01, 49-1463.01, 49-1467, 49-1469 to 49-1469.04, 49-1479.01, 49-1480.01 to 49-1483, 49-1486, 49-1488.01, 49-1494, 49-1496, 49-1497, 49-1499 to 49-1499.04, 49-14,101.01, 49-14,101.02, 49-14,102, 49-14,103 to 49-14,103.04, 49-14,104, 49-14,112, 49-14,115, 49-14,120, 49-14,123, 49-14,124, 49-14,125, 49-14,127, 49-14,132, 49-14,135 to 49-14,139, and 50-114.05, Reissue Revised Statutes of Nebraska, are repealed.

Sec. 70. The following sections are outright repealed: Sections 49-1483.01, 49-14,123.02, and 49-14,130, Reissue Revised Statutes of Nebraska.