

OPEN SESSION
MINUTES OF THE MEETING OF THE
NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION

Friday, January 26, 2024

State Capitol Room 1510

Lincoln, Nebraska

Call to Order – Chairman Sullivan called the meeting to order at 9:02 a.m. and announced the location in the meeting room of a copy of the Open Meetings Law. She stated that notice of the meeting was posted on the Commission’s website and on the State’s Public Meeting Calendar.

Roll Call –

Roderic Anderson – Excused
Marty Callahan – Present
Tom Carlson - Excused
Janet Chung – Present
Jeffery Davis – Excused for Late Arrival
Robert Evnen – Present
Andrew Reuss – Present
Kate Sullivan – Present

Approval of the Open Session Minutes of the December 1, 2023 Meeting – Chairman Sullivan referred the Commissioners to their copies of the Open Session minutes of the previous meeting.

Motion by Evnen, second by Davis, that the Open Session Minutes of the December 1, 2023 meeting be approved - Roll Call Vote: Commissioners Callahan, Chung, Evnen, Reuss, and Sullivan voted yes. Motion carried (5-0-0).

Report on late filing fees and requests for relief: None

Executive Director’s Report (includes personnel activity, budget status, budget process and litigation status) – Executive Director Hunter indicated to the Commission that there were two vacancies on the Commission. The vacancies were created when Commissioner Peetz left the Commission February 22, 2022 and when the term of Commissioner Tom Carlson expired June 30, 2023. Both Mr. Peetz and Mr. Carlson’s successors will be appointed by the Secretary of State.

Open Session Minutes
January 26, 2024

The Executive Director reported that Neil Danberg, Rod Anderson and David Hunter attended the conference of the Council on Governmental Ethics Laws (COGEL) in Kansas City, Missouri from December 3 through 6, 2023.

The Executive Director indicated that the Staff Auditor position and Deputy Director position remain open.

The Executive Director indicated that six months into the current fiscal year the Commission had expended approximately 40% of the agency budget. He indicated that the office of the Auditor of Public Accounts had recommended that the Commission review the balance of the NADC cash fund on a regular basis for the purpose of determining if agency fees and charges might require adjustment.

Executive Director Hunter reported that with assistance from the State Purchasing Bureau the agency has entered into another contract for continued maintenance and improvement on the FirstTuesday system. He noted that annual contract with Civix had recently been paid which was approximately \$72,000.

Executive Director Hunter indicated that the 4th Quarterly Lobbyist and Principal Reports are due January 30th 2024. Reports that are filed will be available for review on the Clerk of the Legislature's website.

The Executive Director reported that a majority of ballot question committees continue to file monthly petition campaign statements online. Mr. Huinter noted that the next campaign statement is the 2023 Annual Campaign Statement which is due on January 31, 2024. Statements that are filed will be available for review on the FirstTuesday website.

Executive Director Hunter indicated that the Nebraska 2024 Statewide Primary and General Elections will be held on May 14th and November 5th, respectively. The 1st Campaign Statements are due April 15th, 2024.

The Executive Director indicated that Statement of Financial Interests NADC Form C-1 covering calendar year 2023 are due March 1, 2024.

The Executive Director indicated that there is no litigation.

The Executive Director indicated that upcoming Commission Meeting dates are March 8, 2024, and April 12, 2024.

Discussion followed.

Mr. Danberg stated to let the record show Commissioner Davis was present at 9:07 a.m.

Open Session Minutes
January 26, 2024

2024 Legislative Update including consideration of position on new legislative bills - Executive Director Hunter stated that the Legislature convened on January 3, 2024. The last day to introduce new legislation was January 17th, 2024.

The Executive Director discussed legislation introduced so far that is of interest to the Commission.

LB 859 – This is a bill by Senator Linehan that is very similar to last year’s LB 302 which is pending on General File with amendments from the 2023 Session. This bill would extend the conflict provisions to apply to all elected officials on the state and local level. Commission position: Support.

LB 1070 – This bill by Senator Bostar would amend the NPADA and change the reporting period and deadlines for monthly campaign statements filed by a ballot question committee during a statewide petition. Under LB 1070 the reporting period would be the full calendar month and the due date would be 10 days following the end of the calendar month. Commission position: Support.

LB 1104 – This bill by Senator Aguilar and Senator Meyer would amend the NPADA to change the amount and distribution of the annual lobbyist registration fees. Under LB 1104 the registration fee would be \$300 and the receipts would be split 50% each. The Director indicated that during preliminary discussion with the Clerk’s Office, the online transaction costs of 6.1% would be covered by them. However, this is not mentioned in the bill. Commission position: Support with amendment.

Chairman Sullivan indicated to the Commission the procedure to be taken regarding discussion of any of the bills.

Discussion followed.

LB 1203 – This bill by Senator John Cavanaugh would make a significant amendment to the NPADA by creating new disclaimer requirements when artificial intelligence is used in the creation of a paid political advertisement which falsely depicts an individual. Any such use of artificial intelligence must be identified by a “clear and conspicuous” statement within the advertisement. Furthermore, within 90 days before an election, the disclaimer must inform the viewer the media has been manipulated by technical means and depicts speech or conduct that did not occur. The bill also provides for injunctive relief for the violation occurring within 90 days before an election, if proved by “clear and convincing evidence,” which could be brought by the Attorney General, an affected candidate for office, or any organization representing the rights of potentially affected voters. The Director indicated there is no mechanism or means for how to determine whether artificial intelligence has been used is set out in the bill. Commission position: Oppose.

Open Session Minutes
January 26, 2024

Discussion followed.

LB 1327 – This is a bill by Senator Brewer it appears to be a clean up bill to amend the NPADA §49-1402 to remove and limit the word “that” and to reword two sentences. The net change would be the removal of five words. Commission position: Neutral.

Discussion followed.

LB 1382 – A bill by Senator Hansen would amend the NPADA to limit total contributions to a ballot question committee from a person other than an individual to \$20,000. The bill does not specify a time period for the limit, for example per calendar year. Commission position: Neutral.

LB 1260 – A bill by Senator Jacobsen would amend §70-624.04 to provide authority for a director of a public power and irrigation district to take action (including discussing and voting) on certain agreements in which such director has an interest. This amendment would create an exception to the NPADA and override Advisory Opinion 205 which prohibits directors with such an interest from voting on a contract in which they have an interest. Commission position: Oppose.

Discussion followed.

Charles Brewster, General Counsel appeared for the Central Nebraska Public Power and Irrigation District of Holdrege and gave a presentation.

Discussion followed.

Motion by Evnen, second by Davis, that the Commission support and adopt the Commission’s staff recommendation on all bills except LB 1260 - Roll Call Vote: Commissioners Callahan, Chung, Davis, Evnen, Reuss, and Sullivan voted yes. Motion carried (6-0-0).

Discussion followed.

Motion by Evnen, second by Reuss, that the Commission take a neutral position on LB 1260 - Roll Call Vote: Commissioners Davis, Evnen, and Reuss, voted yes. Commissioners Callahan, Chung, and Sullivan voted no. Motion failed (3-3-0).

Discussion followed.

Open Session Minutes
January 26, 2024

Motion by Evnen, second by Davis, that the Commission move to reconsider the vote on LB 1260 - Roll Call Vote: Commissioners Callahan, Chung, Davis, Evnen, Reuss, and Sullivan voted yes. Motion carried (6-0-0).

Motion by Evnen, second by Davis, that the Commission take a neutral position on LB 1260 - Roll Call Vote: Commissioners Callahan, Chung, Davis, Evnen, Reuss, and Sullivan voted yes. Motion carried (6-0-0).

Discussion followed.

Report of Conflicts Committee – Commissioner Davis indicated that there were no questions or concerns to report.

Report of Executive Committee – Commissioner Sullivan indicated that there are no issues to report.

Closed Session - Motion by Sullivan, second by Callahan, that the NADC go into Closed Session pursuant to the confidentiality provisions of the NPADA – Roll Call Vote: Commissioners Callahan, Chung, Davis, Evnen, Reuss, and Sullivan voted yes. Motion carried (6-0-0).

The NADC went into Closed Session at 10:14 a.m.

The NADC returned to Open Session at 10:24 a.m.

Announcements from Closed Session - Executive Director Hunter announced there was nothing to report from closed session.

Adjournment – Motion by Sullivan, second by Reuss, that the NADC adjourn. Roll Call Vote: Commissioners Callahan, Chung, Davis, Evnen, Reuss, and Sullivan voted yes. Motion carried (6-0-0).

Chairman Sullivan declared the meeting adjourned at 10:25 a.m.