

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

Friday, March 3, 2023

State Capitol Room 1510

Lincoln, Nebraska

Call to Order – Chairman Sullivan called the meeting to order at 9:00 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 – Present
Marty Callahan – Excused
Janet Chung - Present
Tom Carlson – Present
Jeffery Davis - Present
Robert Evnen – Present
Andrew Reuss – Present
Kate Sullivan – Present

Introduction and welcome to new Commissioner Janet Chung – Chairman Sullivan introduced and welcomed new Commissioner Janet Chung from Lincoln. She was appointed by the Secretary of State Robert Evnen to the Commission. Her term expires on June 30, 2027. Commissioner Chung expressed her gratitude and willingness to serve Nebraska.

Approval of the Open Session Minutes of the January 20, 2023 Meeting – Chairman Sullivan referred the Commissioners to their copies of the Open Session minutes of the previous meeting.

Motion by Davis, second by Reuss, that the Open Session Minutes of the January 20, 2023 meeting be approved - Roll Call Vote: Commissioners Anderson, Callahan, Carlson, Chung, Davis, Evnen, Reuss, and Sullivan voted yes. Motion carried (8-0-0).

Report on late filing fees and requests for relief: The Executive Director indicated that there were no requests for relief.

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Executive Director's Report (includes personnel activity, budget status, budget process and litigation status) – The Executive Director referred the Commissioner's to their packets.

Executive Director Daley indicated that Governor Pete Ricketts appointed Mr. Andrew Reuss of Elkhorn Nebraska to the Commission. Since that time Mr. Reuss had his Confirmation Hearing on February 3rd.

Executive Director Daley indicated that Commissioner Chung of Lincoln was appointed by the Secretary of State Robert Evnen. The Confirmation Hearing for Ms. Chung has not been scheduled as of yet.

The Executive Director indicated that the Auditor position remains vacant. There have been several applications of which most of them are not qualified to serve in the position. However, a recent application was received that appeared promising. The Deputy Director David Hunter and Executive Director Daley will interview the individual in the afternoon.

The Executive Director stated that seven months into the current budget year the Commission had expended approximately 41% of the agency budget. The fiscal year ends on June 30, 2023.

Executive Director Daley next reported that the 4th Quarter Lobbyist and Principal Reports were due on January 30, 2023. Reports filed are available for review on the Clerk of the Legislature's website.

The Executive Director indicated that Annual Campaign Statements were due on January 31st. Reports filed are available on the First Tuesday system.

Executive Director Daley indicated that the Lincoln City Primary will be held on April 4th and the General Election will be held on May 2nd. The 1st Primary Campaign Statements are due on March 6th.

The Executive Director indicated that the annual Statements of Financial Interests covering calendar year 2022 are due March 1, 2023.

The Executive Director indicated that in the matter of litigation there was nothing to report

Legislative Update - Executive Director Daley reported on pending legislative bills which specifically affect the Commission or affect the Commission as a state agency.

LB 9 – This bill by Senator Blood requires the reporting of electioneering communications or issue ads to the NADC. Currently, these types of ads are

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outside the jurisdiction of the Commission yet are intended to influence the election. A hearing has not been scheduled for LB 9.

LB 282 – This bill by Senator Riepe is the Miscellaneous Claims Bill in which claims made against the State are approved or denied. It also includes write-offs recommended by the Commission of certain unpaid late filing fees and civil penalties. Commission position: Support. Hearing is pending.

LB 297 – This bill by Senator Sanders enacts the Personal Privacy Protection Act. It restricts different types of governmental entities from requesting or publishing certain private information from charities including their donors. The bill also provides for an exception for information required by the Nebraska Accountability and Disclosure Act. The Commission will continue to monitor LB 297

LB 302 – This bill is by Senator Linehan would extend the conflict of interest provisions to elected officials of all political subdivisions and to all public employees on the state and local level. The Commission Supports this bill. This bill has advanced to General File.

LB 304 – This bill is by Senator Linehan requires political subdivisions to disclose on their websites the name of any association to which the subdivision pays dues and the amount of those dues. The disclosure would also include the amount of the dues which are used for lobbying. The hearing was held February 9. This bill is pending before Committee.

LB 408 – This bill by Senator M. Cavanaugh extends the application of the conflict of interest provisions to members non-elected government bodies. This bill is currently pending before Committee.

LB 409 – This bill by Senator M. Cavanaugh requires members of library boards of cities of the metropolitan class to file annual Statements of Financial Interests. Commission position: Neutral. This bill is pending before Committee.

LB 410 – This bill by Senator M. Cavanaugh extends the conflicts of interest provisions to members of the library boards of cities of the metropolitan class. The hearing was held February 15th. This bill is pending before Committee.

LB 559 - This bill by Senator Blood requires elected officials of cities of the first class to file annual Statements of Financial Interests. The bill also provides that Statements of Financial Interest shall be filed electronically. It further provides that the Commission may establish exemptions to the electronic filing requirement by rule and regulation. Commission position: Support. A hearing has not been scheduled for LB 559.

LB 569 – This is by Senator Bostelman prohibits county board members and county planning commission members from having an interest, direct or indirect, in any party to a contract for the development, construction, management or operation of an electric generation facility. The bill extends the prohibition and defines the term. The bill defines the term immediate family member differently than the NPADA. It was noted that it is not clear if the provisions of the bill will be part of the NPADA or not. Commission position: Neutral. Hearing held on February 15th. This bill pending before Committee.

LB 737 – This is bill by Senator Raybould would limit contributions from a person to a candidate committee to \$1,000 per year in the year of the election. Commission position: Neutral. A hearing has been not scheduled for this bill.

Discussion followed.

Report of the Transition Commission on hiring an Executive Director including consideration and adoption of job description, qualifications and timeline for hiring – Chairman Sullivan reported that at the last meeting Executive Director Daley informed the Commission that he was going to retire in August. Chairman Sullivan indicated that she asked Commissioner Rod Anderson and Commissioner Jeff Davis to form a Search Committee and put together the mechanism on how to select a new Executive Director. Ms. Sullivan deferred to Commissioner Anderson.

Commissioner Anderson referred the Commissioners to their copies of the Transition Plan Report by the Search Committee. Mr. Anderson indicated the Search Committee had met beginning January 30th to develop a job description and job qualifications for the selection of a successor to Executive Director Daley. The Transition Plan was expanded to include budget, advertising and the application process. Mr. Anderson further noted the importance of integrity, in the qualifications of the individual, both personal and professional. The goal of the timeline is to appoint the successor Executive Director on September 1st, the date of Mr. Daley's retirement. This Timeline would take two special commission meetings. The deadline date for application submission is on June 30. All applications would be distributed to all Commission members for their review. The Search Committee would then select the best qualified candidates, interview these candidates, and report the interview results to the Commission for their consideration. Commissioner Anderson indicated that the Commission would meet for the 1st special meeting on July 17, the selected candidates would then be invited to make a presentation to the Commission. At the 2nd special meeting on August 4th the Commissioners will have the opportunity to meet each finalist, hear their presentation and ask questions of the candidates. The Commission would then discuss the finalists in open session. Mr. Anderson indicated that if confidential, then continue in executive session. At the conclusion of this discussion the Commission -in open session- entertain a motion to select the new Executive Director whose employment would commence on September 1,

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2023. The new Executive Director would be present at the regular Commission meeting on September 8th 2023.

Discussion followed.

Motion by Reuss, second by Carlson, that the Commission approve the job description and qualifications for the Executive Director with the amendments included – Roll Call Vote: Anderson, Callahan, Carlson, Chung, Davis, Evnen, Reuss, and Sullivan voted yes. Motion carried (8-0-0).

Commissioner Anderson asked the Commission for assistance on various duties. Commissioner Chung volunteered.

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 Anderson, second by Carlson, that the NADC go into Closed Session pursuant to the confidentiality provisions of the NPADA – Roll Call Vote: Commissioners Anderson, Callahan, Carlson, Chung, Davis, Evnen, Reuss, and Sullivan voted yes. Motion carried (8-0-0).

The NADC went into Closed Session at 9:30 a.m.

The NADC returned to Open Session at 10:00 a.m.

Announcements from Closed Session - Executive Director Daley announced the following actions taken by the Commission in closed session.

Executive Director v. Lathan for District 2 and Jonathan Lathan, Candidate (#21-34) – Pursuant to settlement agreement the Commission found there was a violation of §49-1459(1)(b) and §49-1459(1)(c) of the NPADA. By terms of the agreement, the Respondent will pay late filing fees assessed by the Commission of \$1,400. The Commission approved the settlement agreement with eight Commissioners concurring, none dissenting, and none abstaining.

Cynthia Hartley v. Joshua Gillespie (#23-02), Cynthia Hartley v. Jerome Kramer (#23-03) and Cynthia Hartley v. Michael Vance (#23-04) – In all three cases the Commission found violations of §49-14,101.02 of the NPADA. By terms of the agreement, in each case the Respondent will pay a civil penalty assessed by the Commission of \$1,000. In each case the Commission approved the settlement agreement with eight Commissioners concurring, none dissenting, and none abstaining.

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Adjournment – Motion by Sullivan, second by Davis, that the NADC adjourn. Roll Call Vote: Commissioners Anderson, Callahan, Carlson, Chung, Davis, Evnen, Reuss, and Sullivan voted yes. Motion carried (8-0-0).

Chairman Sullivan declared the meeting adjourned at 10:02 a.m.