OPEN SESSION

MINUTES OF THE MEETING OF THE NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION

Friday, January 24, 2025 State Capitol Room 1510

Lincoln, Nebraska

Call to Order – Chairman Davis 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. He 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
Janet Chung – Present
Jeffery Davis – Present
Mike Gloor - Present
Robert Evnen – Present
Andrew Reuss – Excused for late arrival
Kate Sullivan – Present

Approval of the Open Session Minutes of the December 6, 2024 Meeting – Chairman Davis referred the Commissioners to their copies of the Open Session minutes of the previous meeting.

Motion by Evnen, second by Gloor, that the Open Session Minutes of the December 6, 2024 meeting be approved - Roll Call Vote: Commissioners Chung, Davis, Evnen Gloor, and Sullivan voted yes. Motion carried (5-0-0).

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

Executive Director's Report (includes personnel activity, budget status, budget process and litigation status) – Executive Director Hunter reported to the Commission that there were two vacancies on the Commission to be selected by the Secretary of State.

The Executive Director Introduced Jerica Koch, the new Administrative Assistant. She has been hired to fill the vacancy left by Serena Dunn, who has been promoted to Staff Auditor.

Mr. Hunter also reported that Jim Stejskal had been promoted from Staff Auditor to Senior Auditor. Also, the Commission has a new opening for a Staff Auditor. A new additional position which required the approval of the Budget Office and State Personnel. This will increase the total number of staff to 9 employees.

The Executive Director indicated that six months into the current fiscal year the Commission had expended approximately 31% of the agency budget.

The Executive Director indicated that General Counsel Neil Danberg and Executive Director David Hunter attended the annual Council on Governmental Ethics Laws (COGEL) Conference in Los Angeles from December 8, 2024 through December 11, 2024. Areas covered are campaign finance law, governmental ethics, lobbying laws, public information law, and election law. COGEL is an organization of which the Commission is a founding member.

Executive Director Hunter indicated that Lobbyist and Principal 4th Quarterly Reports are due January 30, 2025. Reports that are filed will be available for review on the Clerk of the Legislature's website.

The Executive Director indicated that the Post General Election Campaign Statements were due January 14, 2025. Annual Campaign Statements are due January 31, 2025. Also, Omaha and Lincoln 1st Primary Election Campaign Statements are due in March. Those filed are available for review on the FirstTuesday website.

Executive Director Hunter indicated that the annual Statement of Financial Interests (NADC Form C-1) covering calendar year 2024 is due on or before March 3. 2025.

The Executive Director indicated that there is no litigation.

Executive Director Hunter indicated that upcoming meeting dates are March 7, 2025 and April 11, 2025.

Commissioner Reuss was present at 9:30 a.m.

Discussion followed.

Legislative Update including consideration of position on new legislative bills – Executive Director Hunter stated that the Legislature convened on January 8, 2025. Mr. Hunter next discussed Legislative bills in which the Commission had an interest.

LB 19 – This is a bill by Senator Cavanaugh that would change provisions relating to elections for cities of the metropolitan class. Currently, Omaha Mayoral elections occur in odd-numbered years, LB 19 would change the Omaha primary and

general election dates to coincide with the statewide election dates beginning in 2028. Commission position Neutral.

LB 29 - A bill by Senator Conrad would create a review process for agency rules and regulations beginning January 1, 2026 and every three years thereafter. LB 29 would require each agency to review all existing and pending rules and regulations and to submit a report of the agency findings along with supporting documentation indicating reasons for each rule and regulation. Commission position Neutral

LB 32 – A bill by Senator Hunt would amend the Accountability and Disclosure Act, section 49-1474.01 to change provisions relating to disclaimers on political advertisements. Currently, the Act requires certain disclaimers on political advertisements to include a street address. LB 32 adds the option of using a post office box number (P.O. Box) instead of a street address. Commission position Oppose (Later changed to Neutral through discussion with Executive Committee).

Discussion followed.

LB 74 – Is a bill by Senator Hunt. This bill would amend the Accountability and Disclosure Act, section 49-1446.03 to expand the permissible use of campaign funds to pay for an officeholder's minor children to travel with them while involved in activities related to the duties of public office and to pay for child care expenses incurred by an officeholder while involved in activities related to the duties of public office. Commission position Neutral

Discussion followed.

LB 244 – This is a bill by Senator Sanders. This bill is a "shell bill" and would amend the Nebraska Political Accountability and Disclosure Act §49-1402 to remove and limit the word "that" and to reword a couple sentences. Mr. Hunter noted that a shell bill is created for later inclusion of potential future amendments. Commission position Neutral.

Discussion followed.

LB 261 – A bill by Speaker Arch on behalf of the Governor. This bill includes cuts to some agency biennial budget requests, noting that the NADC is one such agency. However, the Appropriation Committee almost always proposes a different budget than the Governor. The agency will focus our efforts on the Appropriation Committee hearing which usually occurs in March. Commission position Neutral.

Discussion followed.

LB 615 – A bill by Senator John Cavanaugh, this bill would amend the NPADA, to prohibit the distribution of deceptive and fraudulent deepfakes and synthetic media that misrepresent a candidate or political party, within ninety days of an election, unless a disclaimer is provided stating it has been manipulated or generated by artificial intelligence. Additionally, the bill allows candidates depicted in such deceptive deepfakes to seek injunctive or equitable relief against the publication of such content. Commission position Oppose

Discussion followed.

LB 644 – Introduced by Senator Bostar, this bill would Adopt the Foreign Adversary and Terrorist Agent Registration Act and the Crush Transnational Repression in Nebraska Act. A portion of the bill would require that a lobbyist who represents a foreign adversary to disclose that on their Lobbyist registration form. Additionally, the Commission would create a disclosure form for Consultants of the foreign adversary to disclose detailed information about them and their business relationship and detailed information about the consultant and of any person employed by or acting on behalf of the consultant. A civil penalty of \$100,000 would be assessed for each initial violation of these requirements. Subsequent violations would result in additional penalties up to \$1,000,000 per violation. Furthermore, the Commission would pay a reward of \$50,000 to any person who provided information resulting in the finding of a violation. Commission position Neutral.

Discussion followed.

LB 664 – Is a bill by Senator Storer that would change the Administrative Procedure Act to require agencies to allow for public comment and submissions on proposed rules and regulations electronically or by mail. Also, the bill would change the permissible venues for civil actions challenging rules and regulations including within the petitioner's county of residence. Commission position Neutral

Discussion followed.

LB 672 – Introduced by Senator Raybould, this bill stipulates an aggregate \$1,000 contribution limit per source for candidate committees. If the candidate committee receives more than \$1,000, they must refund the difference. This limit does not apply to a candidate's own personal funds. Commission position Neutral

Report of Executive Director Search Committee – Chairman Davis reported that the Executive Director Search Committee met after the last meeting in December. Four candidates were interviewed, and two candidates were invited to return and interview before the entire Commission. Mr. Davis indicated that since that time one of the candidates had withdrawn from consideration. One candidate is here today to interview for the position of Executive Director in front of the entire

Commission. The Chairman indicated the meeting would then advance to agenda Item #7.

Chairman Davis invited the candidate Scott Danigole to come forward before the Commission Members for introductions.

Interview of Finalists for position of Executive Director – The candidate Scott Danigole addressed the Commission and gave a presentation.

Discussion followed.

Motion by Davis, second by Reuss, that the Commission go into Closed Session to discuss personnel and resource matters – Roll Call Vote: Commissioners Chung, Davis, Evnen, Gloor, Reuss, and Sullivan voted yes. Motion carried (6-0-0).

The NADC went into Closed Session at 9:50 a.m.

The NADC returned to Open Session at 10:05 a.m.

Motion by Evnen, second by Sullivan, that the Commission extend an offer of employment to Scott Danigole for the position of Executive Director commencing July 1, 2025 at a salary rate and with benefits that we authorize the Chair to negotiate salary and benefits with Mr. Danigole consistent with the budget request - Roll Call Vote: Commissioners Chung, Davis, Evnen, Gloor, Reuss, and Sullivan voted yes. Motion carried (6-0-0).

The Commission took a 5 minute break at 10:10 a.m.

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

Report of Executive Committee – Chairman Davis indicated that there are no issues to report.

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

The NADC went into Closed Session at 10:17 a.m.

The NADC returned to Open Session at 10:44 a.m.

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

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

Chairman Davis declared the meeting adjourned at 10:45 a.m.