

# MULTISTATE

Lobbying | Tracking | Compliance | Consulting

## [South Dakota ethics measure supporters release first TV ads](#)

The campaign for a South Dakota government ethics constitutional amendment is urging voters to "fight corruption" and vote for the November ballot question in its first television ads of the race.

Represent South Dakota said in a statement that the two 30-second ads started airing this week, but didn't disclose the total size of the buy. Both spots target allegations of scandal in South Dakota, saying the ballot question would rein in lobbyists and improve accountability.

Constitutional Amendment W would tighten campaign finance and lobbying restrictions, create an independent ethics commission and prevent the Legislature from altering or rejecting laws approved by voters without returning to the ballot, among other provisions.

Critics have raised concerns about the amount of power that would be given to the ethics panel.

---

## [A deeper look into the proposed Nov. 6 election amendments](#)

Seven ballot issues will be on the Nov. 6 general election ballot, and three of them are about marijuana, its use as a medicine and its source of tax revenue.

The other four ballot measures are about reapportionment, administration of bingo games, raising the state's minimum wage over the next five years and a higher tax on fuel to raise money for the state highway patrol.

Some of the issues were placed on the ballot by the constitutional right of initiative petition. In these cases, each proposition required at least 100,126 valid signatures, and each proposed amendment to the state constitution required at least 160,199 valid signatures, depending on how large the counties were where the signatures were collected.

Other issues were placed on the ballot by your representatives and senators in the Missouri General Assembly when it met Jan. 3 to May 18 of this year.

Let's take a quick look at the seven ballot issues you'll help decide when you vote Nov. 6. The following information was gleaned from the Missouri Secretary of State's office website:

### **Amendment No. 1**

This measure, proposed by initiative petition, would amend the Missouri Constitution "to change the process and criteria for redrawing state legislative district boundaries during reapportionment (redistricting)," according to the secretary's "Fair Ballot Language."

The way it works now is that bipartisan House and Senate commissions redraw boundaries on maps. Those maps are adopted when 70 percent of the commissioners approve them.

This amendment will change that process to put the work into the hands of a state demographer chosen from a panel that is selected by the state auditor. That demographer will have the job of redrawing the boundaries to submit those maps to the House and Senate commissions.

“This amendment would then allow changes to the demographer's maps only if 70 percent of the commissioners vote to make changes and do so within two months after receiving the maps from the state demographer,” according to the Fair Ballot Language.

Other aspects of this proposal are:

- Reduction of the limits on campaign contributions that candidates for state senator or state representative can accept from individuals or entities by \$100 per election for a Senate candidate and \$500 for a House candidate.
- Creation of a \$5 limit on gifts that state legislators and their employees can accept from paid lobbyists or the lobbyists' clients.
- Prohibiting state legislators and their employees from serving as paid lobbyists for a period of two years after the end of their last legislative session.
- Prohibition of political fundraising by candidates for or members of the state Legislature on state property.
- Requiring all legislative records and proceedings to be subject to the state open meetings and records law (Missouri Sunshine Law).

Cost to taxpayers: If passed, this measure will have no impact on taxes, according to the secretary of state.

### **Amendment No. 2**

Proposed by initiative petition, this amendment would allow the use of marijuana for medical purposes under state laws.

“This amendment does not change federal law, which makes marijuana possession, sale and cultivation a federal offense,” the Fair Ballot Language notes.

Other aspects of this amendment are:

- Creation of regulations and licensing procedures for medical marijuana and medical marijuana facilities—dispensary, cultivation, testing and marijuana-infused product manufacturing facilities.
- Creation of licensing fees for such facilities.
- Imposition of a four-percent tax on the retail sale of marijuana for medical purposes by dispensary facilities.
- Forwarding of funds from the license fees and tax for use by the Missouri Veterans Commission for health and care services for military veterans, and by the Department of Health and Senior Services to administer the program to license/certify and regulate marijuana and marijuana facilities.

Cost to taxpayers: If passed, this measure will impose a four-percent retail sales tax on marijuana for medical purposes.

### **Amendment 3**

Also proposed by initiative petition, this is another proposal to change the Missouri Constitution to allow the use of marijuana for medical purposes under state laws.

Again, it should be noted that this amendment does not change federal law, which makes marijuana possession, sale and cultivation a federal offense.

Here is what it will do, if passed:

- Make Brad Bradshaw (the contact person on this initiative petition) the research chairperson of a newly-created research institute that is funded by fees and taxes on medical marijuana.
- Brad Bradshaw will select the members of the board that will govern the research institute, which will issue regulations and licensing procedures for medical marijuana and medical marijuana facilities—dispensary, cultivation, and marijuana-infused product manufacturing facilities.
- Creates licensing fees for such facilities.
- Impose a 15-percent tax on the retail sale of marijuana for medical purposes by dispensary facilities and a tax on the wholesale sale of marijuana flowers and leaves by cultivation facilities.
- Use of the funds generated by the license fees and taxes by the research institute for licensing and regulating marijuana and marijuana facilities, land acquisition and development, and conducting research with the purpose of developing cures and treatments for cancer and other incurable diseases.

Cost to taxpayers: If passed, this measure will impose a 15-percent retail sales tax on marijuana for medical uses and a wholesale sales tax on marijuana sold by medical marijuana cultivation facilities.

#### **Amendment No. 4**

Proposed by the General Assembly, this amendment will do two things:

- It will change the Missouri Constitution to remove language limiting bingo game advertising that a court ruled was unconstitutional and not enforceable.
- It will also allow a member of a licensed organization conducting bingo games to participate in the management of bingo games after being a member of the organization for six months. Currently, the constitution requires two years of membership.

Cost to taxpayers: If passed, this measure will have no impact on taxes.

#### **Proposition B**

Another proposal from the initiative petition process, this proposal will amend Missouri statutes to increase the state minimum wage rate as follows:

- \$8.60 per hour beginning January 1, 2019;
- \$9.45 per hour beginning January 1, 2020;
- \$10.30 per hour beginning January 1, 2021;
- \$11.15 per hour beginning January 1, 2022; and
- \$12.00 per hour beginning January 1, 2023.

Government employers will be exempt.

Private sector employers will see an increase in the penalty for paying employees less than the minimum wage.

Cost to taxpayers: If passed, this measure will have no impact on taxes.

#### **Proposition C**

This proposal from the initiative petition process goes at the marijuana question statutorily rather than by amending the Missouri Constitution.

It would allow the use of marijuana for medical purposes under state laws, but it will not change federal law, which makes marijuana possession, sale and cultivation a federal offense.

Here's what the proposition would do:

- Create regulations and licensing procedures for medical marijuana and medical marijuana facilities — dispensary, cultivation and production, and testing facilities.
- Create licensing fees for such facilities.
- Impose a two-percent tax on the retail sale of marijuana for medical purposes by dispensary facilities.
- Use the funds from the license fees by the Division of Liquor Control to administer the program to license/certify and regulate marijuana and marijuana facilities.

Use the funds from the tax for veterans' services, drug treatment, early childhood education, and for public safety in cities with a medical marijuana facility.

Cost to taxpayers: If passed, this measure will impose a two-percent retail sales tax on marijuana for medical purposes.

### **Proposition D**

Submitted to voters by the General Assembly, this proposition would raise funding for the Missouri State Highway Patrol's enforcement and administration of motor vehicle laws and traffic regulations.

Source of the funding will be revenue from an increased state tax on motor fuel (including gasoline, diesel fuel, kerosene, and blended fuel). The current state motor fuel tax rate is 17 cents per gallon. The amendment will increase the rate as follows:

- 19.5 cents per gallon beginning July 1, 2019;
- 22 cents per gallon beginning July 1, 2020;
- 24.5 cents per gallon beginning July 1, 2021;
- 27 cents per gallon beginning July 1, 2022.

Other aspects of this proposition:

- Increasing the tax on alternative fuels used for motor vehicles (including compressed natural gas, liquid natural gas, and propane gas) from 17 cents to 27 cents per unit equivalent to a gallon of gasoline or diesel beginning Jan. 1, 2026.
- Requiring the state auditor to audit the state's use of the revenue generated by these taxes every two years.
- Allow a state income tax deduction for the value of any prize or award won in the Olympics, Paralympics, or Special Olympics.
- Creation of an "Emergency State Freight Bottleneck Fund," which will be dedicated to financing road improvement projects in the state.

Cost to taxpayers: Increased taxes on motor fuel.

---

## **North Dakota Ballot Measure One Addresses Government Ethics**

With 36,000 signatures, the North Dakota Anti-corruption Amendment will be on November's ballot as Measure One.

On the surface, it seems everyone would be for a more transparent, ethical government, but this constitutional measure has some stark opposition.

President of North Dakotans for Public Integrity Dina Butcher says, "It's been in the making among people sitting down having coffee, and being concerned about what's happening to our North Dakota."

Section one of the measure requires public disclosure of all money in excess of 200 dollars given to a campaign.

North Dakotans for Sound Government Chairman Geoff Simon explains, "Typically lobbyists register and report expenditures, but this would bring in all sorts of individuals: private individuals, individual citizens, charities, that typically aren't expected to report political expenditures, are suddenly brought into this thing. And the real concern is that's going to have a chilling effect on their participation in the process."

Ellen Chaffee is the Vice President of North Dakotans for Public Integrity, the organization working to get the measure enacted. She says the public has a right to know who is influencing our elections.

Chaffee adds, "If they're not willing to stand behind what they believe in, then they should spend their money other ways."

The American Civil Liberties Union sent out the above press release in late September, opposing the measure.

Simon adds, "They're concerned about the right of freedom of speech. Anytime you regulate political speech in any manner, you tend to interfere with that open communication that we have."

Section two hits on lobbyists and other conflicts of interest. Chaffee says it will require a two-year 'cooling off' period for elected officials before they can become lobbyists.

She explains, "All of our public officials intend to be honest, but it's that kind of unawareness of who they're really thinking about when they're making decisions."

The couple lobbyists we spoke with say they've seldom seen this cause corruption in North Dakota politics.

Former legislator and Soybean Growers Association Lobbyist Phil Murphy says, "No, I think people are people and will make mistakes, and do need to be accountable. It is an issue, I don't think it's a constitutional issue."

The second portion of the measure also prohibits personal use of campaign funds and bans foreign money from influencing our elections, language already in the state Constitution.

Lastly, the measure calls for the creation of an ethics commission.

Chaffee says, "We need to have a code of ethics for our public officials, the same way that lawyers and doctors and teachers all have a code of ethics for their profession."

The commission would be responsible for coming up with a guidebook for public officials, and the five-member team will also maintain a confidential whistleblower hotline.

Simon says, "Any of those complaints, whether they're valid or not, would be tossed in front of the public. They'd show up in the media somewhere."

If adopted into the North Dakota Constitution in November, the measure would override any conflicting provisions in the existing constitution.

---

### **Senate candidates clash over Kavanaugh, campaign cash in first debate**

Montana's candidates for U.S. Senate wasted no time at their first debate Saturday night clashing over the news of the moment: President Donald Trump's nominee to the U.S. Supreme Court and the divisive nomination process that played out in Washington, D.C., in the last week.

U.S. Sen. Jon Tester, a two-term Democrat, is seeking re-election against Republican Auditor Matt Rosendale. On Friday, Tester announced he would not vote to confirm Judge Brett Kavanaugh to the court after a wrenching hearing in which Dr. Christine Blasey Ford detailed her claims of sexual assault against Kavanaugh and the judge angrily defended himself as the nation watched closely.

"I don't think he has the merits nor the background to meet the needs of the Supreme Court, and I certainly don't think he understands the challenges we have here in Montana from a Fourth Amendment privacy standpoint," said Tester.

Tester said his opposition to Kavanaugh is rooted in privacy concerns over the judge's support of the Patriot Act, the role of dark money in politics and the right to access an abortion, in addition to the sexual assault allegations.

He said Rosendale's almost immediate and unwavering support of Kavanaugh after Trump announced him as the nominee shows Rosendale is more worried about making sure he falls in line with the president than forming an opinion that's best for Montana.

Rosendale snapped back by saying Tester's position is part of a "Washington Democratic smear," a phrase he used repeatedly to characterize many of Tester's stances on issues.

Rosendale and Tester are facing off in one of the most closely watched U.S. Senate races in the country. Trump won Montana by more than 20 points in 2016, one of 10 states he carried where a Democratic incumbent senator is seeking re-election this year.

That's brought a massive amount of money into the contest, with the most recent finance reports showing Tester has built a war chest of \$11.7 million to Rosendale's \$2.5 million.

According to the Center for Responsive Politics, spending on the race by organizations outside Montana that are not connected to the candidates, such as political PACs and interest groups, has hit about \$15.5 million. The figures, which also include the Republican primary, put spending by outside groups opposing Tester at \$6.5 million and opposing Rosendale at \$5.4 million.

The president, who remains popular here, has twice traveled to Montana to lead rallies for Rosendale drawing thousands in Great Falls and Billings. Surrogates Donald Trump Jr. and Vice President Mike Pence, who is coming Tuesday to Bozeman, have also barnstormed the state.

Whether you're polished pastels or a pop of refreshing red, we have color ideas and inspiration

While much of Rosendale's campaign has focused on his steadfast support of Trump, that wasn't as much on display in the MontanaPBS studio debate on the University of Montana campus.

Instead, Rosendale repeatedly called Tester beholden to lobbyists in Washington, claims Tester

countered by reminding voters his opponent isn't originally from Montana and saying he doesn't understand what's important to people here.

Tester and Rosendale clashed repeatedly on the role of money in politics. Tester hammered on campaign finance maneuvers by Rosendale that, while not breaking any laws, have brought Rosendale several rounds of bad press this election. In one case, Rosendale helped contributors circumvent contribution limits; in another, Rosendale accepted a contribution to his 2016 auditor campaign by a business owner and then, shortly after taking office, the auditor's office dropped charges against the contributor's business.

"Montanans understand campaign finance, we remember the days of the Copper Kings, when they tried to buy our government," Tester said. "That's the spirit of this law you went around and there's no ifs, ands or buts about it."

Rosendale countered by saying Tester has failed to fulfill his promises from his first Senate campaign in 2006 of eschewing lobbyist money and is beholden to D.C. interests.

"I find it laughable Jon Tester stands there and talks about campaign finance and he is the largest recipient of contributions from lobbyists," Rosendale said.

A fact check by the Associated Press found that Tester briefly ranked at the top for receiving lobbyist money this election cycle, but that's changed since late August.

Rosendale and Tester were also asked about the role the state and federal government should have in managing publicly owned lands. Rosendale in a 2014 bid for Montana's U.S. House seat said he thought states would do better managing federal lands, though he has since changed that view.

"There was a time when I thought they could be better managed by the state," Rosendale said. "I have since talked to people across the entire state and they have made it exceedingly clear they do not want those lands transferred and I not only understand that, I agree with that," Rosendale said.

Tester called Rosendale's changing views "revisionist history."

"You're either for public lands or you're not," Tester said. "I take your word from the beginning when you said I don't think the federal government should have public lands, turn them over to the state."