



*Before the North Dakota Ethics Commission*

Requested by:  
State Treasurer Thomas Beadle

**ADVISORY OPINION NO. 25-06**

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On May 20, 2025, the Ethics Commission (“Commission”) received an advisory opinion request from State Treasurer Thomas Beadle. Based on its review of the request, the Commission decided to issue an advisory opinion pursuant to N.D.C.C. § 54-66-04.2. The questions presented to the Commission for consideration are summarized below.

1. Under N.D. Const. art. XIV’s gift prohibition and the Commission’s rules, is it permissible to attend a trip to Israel organized through the National Association of State Treasurers and funded by the Israel Ministry of Foreign Affairs and the Israeli Friendship League?
2. Under N.D. Const. art. XIV’s gift prohibition and the Commission’s rules, is it permissible for a public official to accept travel expenses (i.e. airfare, lodging, and registration) when providing speaking services at an event?

**I. FACTUAL BACKGROUND**

Within his request, State Treasurer Beadle informed the Commission he was aware of a similar advisory opinion request regarding a trip to Israel. The Commission issued Advisory Opinion 25-04 on July 30, 2025 to Representative Zachary Ista. The opinion analyzed whether it was permissible for a legislator to accept a trip to Israel funded by the Israel Ministry of Foreign Affairs. *See generally* N.D. Ethics Comm’n, Advisory Op. 25-04 (2025).

In his request, State Treasurer Beadle describes the proposed Israel trip:

I currently serve as President for the National Association of State Treasurers. North Dakota is a dues paying member of NAST through my office. NAST does currently provide some annual scholarships to help states offset their costs for attendance to their conferences. Our association was approached by the Israeli consulate about arranging a delegation to travel to Israel. In my capacity as President, we have been working to coordinate this trip with other members of our executive committee, and are planning a trip in December.

This trip will focus on the trade, finance and investment landscape of Israel, including meeting with financial experts and some of their top company executives, and meeting with government leaders discussing the impacts of Israeli bonds on their economy. Many states, including ours, hold some investments in Israel and so this is a good opportunity to see how the country is positioning itself for future growth. The Ministry of Foreign Affairs of the State of Israel and the Israeli Friendship League are coordinating the trip for when we are in-country. As part of their invitation, they have offered to cover travel costs for our members. The costs they have proposed covering include roundtrip airfare from NYC to Tel Aviv, all in-country transportation, hotel accommodations, touring, entrance fees, insurance and some meals.

Similar to the trip analyzed in Advisory Opinion 25-04, the Commission has been informed by the Consulate General of Israel to the Midwest there will be no action items or requests of the attendees. However, unlike the legislator trip and according to the information provided in the request for an advisory opinion, this trip has an additional source of funding. In addition to the Israel Ministry of Foreign Affairs, the Israeli Friendship League will also pay a portion of the travel expenses.

State Treasurer Beadle further requested the Commission analyze other trips where he “may be invited to speak or be on panels for various public funds management conferences.” In those instances, State Treasurer Beadle informs the Commission he may be offered “some of the travel expenses for that conference (airfare, lodging, registration).” He requests the Commission provide him best practices for handling those situations as he has previously turned down opportunities or paid the expenses personally.

## **II. LEGAL BACKGROUND**

### **A. Article XIV and the Ethics Commission’s Rules**

Section 2 of Article XIV of the North Dakota Constitution provides the baseline lobbyist gift prohibition. It states:

A lobbyist may not knowingly give, offer, solicit, initiate, or facilitate a gift to a public official. A public official may not knowingly accept a gift from a lobbyist.

...

“Gift,” as used in this subsection, means any item, service, or thing of value not given in exchange for fair market consideration, including gifts of travel or recreation. However, “gift” does not mean any purely informational material, campaign contribution, or, in order to advance opportunities for North Dakota residents to meet with public officials in educational and social settings inside the state, any item, service, or thing of value given under conditions that do not raise ethical concerns, as determined by rules adopted by the ethics commission.

N.D. Const. art. XIV, § 2(1).

As made clear by the language of Article XIV, items, services, and things of value are excluded from the definition of a gift when given in exchange for fair market consideration. Given in exchange for fair market consideration means the item, service, or thing of value must be given in exchange for something that is roughly equal in market value to the thing being exchanged. *See Fair Consideration, Black's Law Dictionary* (12th ed. 2024); *Kelsh v. Jaeger*, 2002 ND 53, ¶ 7, 641 N.W.2d 100 (“When interpreting the state constitution, our overriding objective is to give effect to the intent and purpose of the people adopting the constitutional statement. The intent and purpose of a constitutional provision is to be determined, if possible, from the language itself. We give words in a constitutional provision their plain, ordinary, and commonly understood meaning.”).

Section 54-66-03, N.D.C.C., codifies the gift provision of Article XIV and outlines civil penalties for violations of the section. In 2020, the Commission adopted rules related to gifts by lobbyists. N.D. Admin. Code ch. 115-02-01. These rules further define the terms “gift,” “lobby,” and “lobbyist.” Section 115-03-01-01(2), N.D. Admin. Code, defines “gift” to mean “any item, service, or thing of value not given in exchange for fair market consideration, including gifts of travel and recreation.” The term “lobby” means:

- a. Attempts to secure the passage, amendment, or defeat of any legislation by the legislative assembly or the approval or veto of any legislation by the governor of the state.
- b. Attempts to influence decisions made by the legislative management or by an interim committee of the legislative management.
- c. Attempts to secure passage, amendment, or defeat of any administrative rule or regulation by any department, agency, or body of the state’s executive branch.
- d. Attempts to otherwise influence public official action or decision.

N.D. Admin. Code § 115-03-01-01(4).

Additionally, a “lobbyist” is defined as a “person who engages in activity that falls within the definition of the term ‘lobby.’” N.D. Admin. Code § 115-03-01-01(5). However, it does not include:

- (1) A legislator;
- (2) A private citizen appearing on the citizen’s own behalf;

- (3) An employee, officer, board member, volunteer, or agent of the state or its political subdivisions whether elected or appointed and, whether or not compensated, who is acting in that person's official capacity;
- (4) [An individual] [i]nvited by the chairman of the legislative management, an interim committee of the legislative management, standing committee of the legislative assembly, or an official of any department, agency, or body of the state's executive branch to appear before the legislative management, interim committee, or standing committee for the purpose of providing information; or
- (5) An individual who appears before a legislative committee for the sole purpose of presenting testimony on behalf of a trade or professional organization or a business or industry if the individual is introduced to the committee by the registered lobbyist for the trade or professional organization or the business or industry.

*Id.*

The baseline rule is that lobbyists may not knowingly give, offer, solicit, initiate, or facilitate a gift to a public official in conjunction with any effort by the lobbyist to lobby the public official. N.D. Admin. Code § 115-03-01-02(1). Reciprocally, a public official may not knowingly accept a gift from a lobbyist offered in conjunction with the lobbyist's efforts to lobby the public official. *Id.*

However, there are several exceptions to this general baseline rule. *Id.* These exceptions apply to private social and educational events, public social and educational events, and informal social and educational events held within the state of North Dakota. N.D. Admin. Code §§ 115-03-01-03, 115-03-01-01(3), (7), (9). For these in-state events, payment of travel expenses for a public official is permitted when the public official "meaningfully participates in the event as a speaker or panel participant, presenter, or ceremonial event appropriate to the position, or if attendance is appropriate to the performance of official duties." N.D. Admin. Code § 115-03-01-03(5). The payment of travel expenses must not exceed Office of Management and Budget Fiscal Policy #505. *Id.*

Article XIV's gift prohibition enables the Commission to make exceptions for lobbyist gifting for in-state events only. *See* N.D. Const. art. XIV, § 2(1). The Commission cannot make exceptions to Article XIV's lobbyist gift prohibition for out-of-state events. *Id.* A different analysis applies when reviewing out-of-state events.

## **B. Out-of-State Events**

When out-of-state events are at issue, including out-of-country events, two questions apply: (1) whether the item, service, or thing of value is a gift; and (2) if the item is a gift, whether it is "given in conjunction with an effort to lobby a public official by a lobbyist." *Id.*; N.D. Ethics Comm'n, Advisory Op. 23-02, 5 (2023). In Advisory Opinion 23-02, the Commission analyzed an event

happening outside North Dakota and focused its analysis on the second question. In determining whether the host organization was permitted to provide a gift, Advisory Opinion 23-02 said, “The linchpin of this analysis is answering the question whether an entity, organization, business, or group is ‘lobbying’ the public official.” N.D. Ethics Comm’n, Advisory Op. 23-02, 4 (2023). The Commission explained:

When determining whether out-of-state travel expenses (which may include registration fees, per diem reimbursements, hotel costs, food, and/or beverages) are prohibited gifts under Section 115-03-01-02, one needs to ask two fundamental questions: (1) is the travel expense a gift and (2) is the gift given in conjunction with an effort to lobby a public official by a lobbyist. If the answer to both of these questions is “yes” then the travel expense is a prohibited gift under Section 115-03-01-02.

To answer the first question, travel expenses are unquestionably gifts under Title 115 - it is specifically referenced as an example of a gift in Section 115-03-01-01 (2). To answer the second question, one needs to look to the definition of the terms “lobby” and “lobbyist.” The term “lobby” means:

- a. Attempts to secure the passage, amendment, or defeat of any legislation by the legislative assembly or the approval or veto of any legislation by the governor of the state.
- b. Attempts to influence decisions made by the legislative management or by an interim committee of the legislative management.
- c. Attempts to secure passage, amendment, or defeat of any administrative rule or regulation by any department, agency, or body of the state’s executive branch.
- d. Attempts to otherwise influence public official action or decision.

N.D.A.C. § 115-03-01-01(4). Determining whether “lobbying” will or has occurred at an out-of-state event is most easily identifiable when it falls within the definitions outlined in subsection (a) through (c) above. However, additional guidance may better help public officials identify whether a lobbyist is attempting “to otherwise influence public official action or decision.” N.D.A.C. § 115-03-01-01(4)(d).

There is a spectrum of activities and efforts that may be considered “lobbying” as defined in subsection (d). Some out-of-state conferences and events provide objective, educational materials regarding pertinent topics - these conferences may present research-based findings, hold panel discussions with experts on topics, or provide factual updates on developing areas. The Commission compares these

objective educational out-of-state conferences to continuing education, professional development, or vocational training. These types of out-of-state conferences and events are unlikely to be considered lobbying as defined in N.D.A.C. § [115-03-01-01(4)] as these are aimed at providing education only.

Other out-of-state events may present information from a particular perspective and are consequently more subjective. The individuals preparing materials, presenting materials, or engaging in discussions at an event may have an agenda that aligns with a political, social, or educational agenda. While these events present information, it is often presented through a filter than aligns to an agenda and opposing views are excluded. These types of out-of-state conferences and events may be considered lobbying as defined in N.D.A.C. § [115-03-01-01(4)]. Public officials should exercise caution and fully determine whether there are attempts, either passively or actively, to influence their action and decisions. Consequently, these types of events or conferences should be evaluated for “attempts to influence public official action or decision” on a [c]ase-by-case basis. See N.D.A.C. § 115-03-01-01(4)(d).

When reviewing these types of out-of-state events for lobbying efforts, public officials can consider the following factors:

- (1) Overarching objectives of the event sponsor(s);
- (2) Topics of presentations, panel discussions, or social occasions;
- (3) Scope and type of invitees to the event;
- (4) Materials provided to a public official before, during, and after the out-of-state event; and
- (5) Communications received by a public official before, during, and after the out-of-state event from the event sponsor or other invitees.

Yet, other out-of-state events clearly attempt to persuade or influence public official action or decision. For instance, when a public official attends an out-of-state event and is presented with scripted or suggested legislation to bring back to North Dakota, lobbying as defined in N.D.A.C. § 115-03-01-01(4)(a)-(d) can unquestionably occur.

Ultimately, it is the responsibility of the public official to determine whether there is an attempt to influence official action or decision when accepting travel expenses related to out-of-state events. Moreover, such evaluation by a public official may need to be made for separate and distinct events (such as dinners, socials, or tours)

held at a conference. If a public official determines there is an attempt to influence official action, the public official has the ability to leave the event or stay and pay market value for attendance at the event in accordance with N.D.A.C. § 115-03-01-02.

In order for the gift prohibition to apply, the gift must be given by a “lobbyist.” A “lobbyist” is defined as a “person who engages in activity that falls within the definition of the term ‘lobby.’” N.D.A.C. § 115-03-01-01(5). The term lobbyist, as defined within N.D.A.C. [ch. 115-03-01], is more expansive than the definition of “lobbyist” within N.D.C.C. § 54-05.1-02 who are required to be registered with the Secretary of State. The term “lobbyist” as used in N.D.A.C. [ch. 115-03-01] excludes certain individuals from being considered lobbyists. See N.D.A.C. § 115-03-01-01(5). A “lobbyist” does not include legislators; private citizens who appear on the citizen’s own behalf; employees, board members, volunteers, or agents of the state or its political subdivisions when those individuals are acting in their official capacity. Id.

*Id.* at 5-7.

### **C. Travel Expenses and Fair Market Consideration**

In Amended Advisory Opinion 25-02, the Commission clarified “travel expenses are unquestionably gifts unless given in exchange for fair market consideration.” N.D. Ethics Comm’n, Amended Advisory Op. 25-02, 8 (2025). In that opinion, the Commission determined when fair market consideration is exchanged by the public official working at an event, payment of travel expenses is not a gift. *Id.* The Commission specifically analyzed when it is permissible for a public official to accept travel expenses when serving as a presenter or panelist for the event sponsor. *Id.* The Commission determined no gift occurs when a public official is working at an event and the travel expenses “are roughly equal in market value to [the public official’s] speaking services.” *Id.*

## **III. ETHICS ANALYSIS**

To answer State Treasurer Beadle’s question regarding the Israel trip, the Commission must answer the following: (1) is the expense a gift; and (2) is the gift given in conjunction with an effort to lobby a public official by a lobbyist.

### **A. Travel, Lodging, Meal, and Related Expenses**

Here, State Treasurer Beadle has not been asked to work during the Israel trip by providing part of the programming. Similar to the legislator trip, he has also not been asked to provide anything, other than his attendance, in exchange for the payment of his expenses. As a result, the fair market consideration analysis does not apply. Therefore, travel, lodging, meal, and related expenses in this context are gifts, as they are things of value not given in exchange for fair market consideration. N.D. Const. art. XIV, § 2(1).

**B. Lobbying will Likely Not Occur on the Israel Trip**

In Advisory Opinion 25-04, the Commission determined foreign agents can be lobbyists. N.D. Ethics Comm’n, Advisory Op. 25-04 7 (2025). Since travel in this instance would be a gift and foreign agents can be lobbyists, the Commission must determine whether lobbying will occur on the Israel trip. Specifically, the Commission must look to whether there will be “attempts to otherwise influence public official action or decision.”

The Commission believes the trip described by State Treasurer Beadle is similar to the trip analyzed in Advisory Opinion 25-04 under the five factors for events that align “with a political, social, or educational agenda.” Although it has an additional sponsor, the Commission has once again been given the assurances from the Consulate General of Israel to the Midwest that no action items or requests of public officials will be made during the trip. Therefore, as the Commission explained in Advisory Opinion 25-04, the Commission believes the trip will provide a non-lobbying immersive experience with an educational focus to learn about Israel and its region of the world. Additionally, this trip will allow state treasurers to learn about Israel’s economy.

**C. Accepting Travel Expenses for Presenting**

State Treasurer Beadle requests further analysis regarding other events where he may be asked to serve as a presenter or panelist in exchange for paid travel expenses. As explained in Amended Advisory Opinion 25-02, it is permissible to accept travel expenses when providing speaking services that are roughly equal in market value. Therefore, when working these events by providing part of the programming, State Treasurer Beadle may accept travel expenses that are roughly equal in market value to his speaking services. The Commission cautions State Treasurer Beadle to assess such events for lobbying activity before accepting additional things of value. *See* N.D. Ethics Comm’n, Amended Advisory Op. 25-02, 8-9 (2025).

**D. Further Considerations**

The same additional considerations provided in Advisory Opinion 25-04 apply here. In that opinion, the Commission said:

The Commission must note the analysis presented above is narrow and specific to the facts outlined in the materials provided to the Commission and representations made by the event sponsor. It is not blanket approval of travel paid by foreign governments. If the structure of the event does not align with these representations, the Commission will not penalize the attendee(s) for relying on the representations but will instead look for an explanation from the event sponsor. Additionally, if public officials are given similar invitations by foreign governments, the Commission strongly encourages public officials to request an advisory opinion for an analysis of those specific facts.

Further, the type of travel contemplated by this trip illustrates the basis for the Commission proposing travel disclosure rules. Currently there is no filing office or



depository of information subject to open record requests for disclosure of these types of trips. This lack of disclosure occurs partly because these types of trips are not funded by the budget for a public official's office. However, these trips are still tied to a public official's status as a public official and should be disclosed to ensure the people of North Dakota have "information to choose candidates for office, vote on ballot measures, and ensure that their representatives are accountable." N.D. Const. art. XIV, § 1(1).

N.D. Ethics Comm'n, Advisory Op. 25-04 8 (2025).

State Treasurer Beadle specifically asked whether he would need to fill out the travel disclosure form contemplated by the Commission's proposed rules for the Israel trip. At this time, no travel disclosure form is required as the Commission has not adopted the proposed travel disclosure rules. However, when and if the Commission adopts the rules in the future, public officials will need to file the travel disclosure form with the Commission for such trips.

Additionally, the Commission advises State Treasurer Beadle if an issue concerning Israel comes before him as state treasurer, for example during his service on the State Investment Board or another board, he may need to disclose his receipt of the trip as a potential conflict of interest under N.D. Admin. Code ch. 115-04-01.

## IV. CONCLUSION

The Commission answers State Treasurer Beadle's questions as follows:

1. Yes, it is permissible to attend a trip to Israel organized through the National Association of State Treasurers and funded by the Israel Ministry of Foreign Affairs and the Israeli Friendship League.
2. Yes, is it permissible for a public official to accept travel expenses (i.e. airfare, lodging, and registration) when providing speaking services at an event if the speaking services are roughly equal in market value to the travel expenses.

Please note the analysis or conclusions in this advisory opinion may be affected by subsequent developments in the law including, but not limited to, statutes, regulations, advisory opinions, and court orders or opinions. Until and unless subsequent developments in the law occur, criminal and civil penalties may not be imposed upon an individual for an action taken in accordance with this advisory opinion when: (1) the individual acts in good faith; and (2) the material facts surrounding the action taken are substantially the same as the conduct presented in the opinion. N.D.C.C. § 54-66-04.2(4).

In accordance with N.D.C.C. § 54-66-04.2, the Commission will publish this advisory opinion on its website. The Commission thanks State Treasurer Beadle for seeking advice regarding this issue.



This advisory opinion was approved by the Commission at a special meeting held on August 18, 2025.

Dated this 18th day of August, 2025.

A handwritten signature in cursive script, reading "Cynthia Lindquist", written over a horizontal line.

Cynthia Lindquist, Chair  
North Dakota Ethics Commission