

NORTH DAKOTA ETHICS COMMISSION ANNUAL REPORT

AUGUST 29, 2025



CHAIRWOMAN'S MESSAGE

On behalf of the North Dakota Ethics Commission, we are pleased to submit our first Annual Report. Despite its title, the Annual Report covers data and information from the fall of 2019, when the Commission was established, through June 30, 2025. In our nearly six years of operation, the Commission has carried out its constitutional and statutory responsibilities through transparent enforcement, active education, meaningful rule making, and outreach throughout the State.

The Commission meets monthly online and at least once a year in-person. This past biennium marked significant growth in our capacity, visibility, and impact all while we responded to a significant increase in complaint filings. Highlights from the 2023-2025 biennium include:

- Resolution of eight complaints involving a state legislator,
- Release of 6 advisory opinions clarifying campaign finance and conflict-of-interest rules,
- Development and presentation of 33 educational forums, reaching more than 1,000 North Dakotans,
- Launch of a strategic plan anchored with five long-term initiatives,
- Improvement of technology capabilities, data, and information access,
- Placement of UND law student intern during 2025 Legislative session,
- Legislative request for expanded resources to support increasing caseload and educational requests.

The Commission continues to evolve in response to public expectations and legislative mandates while forging stronger alliances. We welcome feedback and input on this report or any aspect of the Commission's work by visiting: www.ethicscommission.nd.gov.



Dr. Cynthia Lindquist

Chairwoman, North Dakota Ethics Commission

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HISTORY

The North Dakota Ethics Commission was created by the people of North Dakota through the approval of Measure 1 in the November 2018 general election. This citizen-initiated constitutional amendment added Article XIV to the North Dakota Constitution, establishing an independent commission with the authority to oversee the ethical conduct of elected state officials, lobbyists, and candidates for state office.

Measure 1 passed, reflecting widespread public interest in increasing government transparency, accountability, and trust. Article XIV directed the Commission to adopt ethics rules related to transparency, corruption, elections, and lobbying, investigate ethical concerns, and support open, ethical, and accountable government to prevent misconduct before it occurs. With the passage of Measure 1, North Dakota became the 48th state to have an ethics commission.

In 2019, five commissioners were appointed through a bipartisan selection process —consensus agreement of then Governor Doug Burgum, Senate Majority Leader Rich Wardner, and Minority Leader Joan Heckaman. The Commission held its first official meeting in September 2019.

Since its formation during the 2020 COVID-19 pandemic, the Commission has evolved from a newly established oversight body into a functioning and engaged constitutional institution. It has adopted formal rules, issued advisory opinions, resolved ethics complaints, and developed comprehensive training and educational outreach. The Commission continues to expand its capacity and refine its procedures in pursuit of fulfilling its mission.

The Ethics Commission is in its sixth year of operation and is one of the newest ethics commissions implemented across the country. It operates independently guided by its constitutional directives, in accordance with all relevant laws, and with a deep commitment to fairness, clarity, and public service.

MISSION STATEMENT

According to Article XIV of North Dakota's Constitution, the Commission was established because the proper operation of democratic government requires public employees and officials be independent and impartial. Transparency in government must be sufficient to enable people to make informed decisions and give proper weight to messages. Therefore, the Commission adopted the following Mission Statement in 2019:

The mission of the North Dakota Ethics Commission is to strengthen the confidence of the citizens of North Dakota in their government by ensuring and promoting transparency and accountability.



LEGISLATIVE HISTORY

The Commission has evolved over the course of four legislative sessions:

2019

HB 1521: The initial legislation for the Commission created a statutory confidential complaint process, set certain penalties required by Article XIV, placed the Commission rulemaking process in the Administrative Agencies Practice Act with certain exceptions, and set the Commission's first budget with two FTEs (full time equivalent).

2021

HB 1024: Commission appropriation bill reduced FTEs from two to one (at the time the Commission had a part-time temporary employee on staff).

HB 1043: Changed the complaint process to allow summary dismissal of non-jurisdictional complaints, amended notice requirements, added statutory language that the Commission may require testimony and production of evidence, changed how the Commission made statutorily mandated criminal referrals, and added in statute the ability for the Commission to delegate duties to the executive director.

HB 1295: Changed who collects the penalty for a violation of the lobbyist gift prohibition from the secretary of state to the Commission.

HB 2034: Added the ability for the Commission to issue advisory opinions.

LEGISLATIVE HISTORY

2023

SB 2024: The Commission's appropriation bill restored the Commission's administrative FTE and provided an additional general counsel/educational FTE.

HB 1485: Required each legislative assembly to adopt conflict of interest rules.

SB 2048: Expanded the definition of a complainant in response to constitutional concerns and modified the procedure for summary dismissal of complaints.

2025

SB 2004: The Commission's appropriation bill provided immunity to legislators for a violation of N.D.C.C. § 12.1-13-02 when adhering to conflict of interest rules, updated complaint language from "accused individual" to "respondent," allowed the Commission to step in and settle complaints after unsuccessful informal resolution, required a report and recommendation for the purposes of issuing an alleged violation or closing a matter, created a process for a respondent to petition the Commission to dismiss a complaint, allowed any respondent to publicly disclose the details of a complaint, required the Commission to adopt complaint management time standards, and also required it to prepare an annual report.

HB 1469: Requires public officials to file an annual statement of interests with the secretary of state.

MEMBERS & STAFF

The Commission consists of five Commissioners who are appointed for four-year terms by consensus agreement of the governor, senator majority leader, and senate minority leader.

No member of the Commission may hold another public office or be a lobbyist, candidate for public office, or political party official.

CHAIR DR. CYNTHIA LINDQUIST

Appointed September 2019; Reappointed 2023; Term Expires August 2027

VICE-CHAIR EDWIN W. KOESER

Appointed September 2019; Reappointed 2021; Term Expires August 2025

COMMISSIONER RONALD GOODMAN

Appointed September 2019; Reappointed 2023; Term Expires August 2027

COMMISSIONER MURRAY SAGSVEEN

Appointed September 2024; Term Expires August 2025

FORMER MEMBERS

COMMISSIONER DAVID ANDERSON

Appointed September 2019; Reappointed 2022; Service Concluded May 2025

COMMISSIONER PAUL RICHARD

Appointed September 2019; Reappointed 2022; Service Concluded September 2024

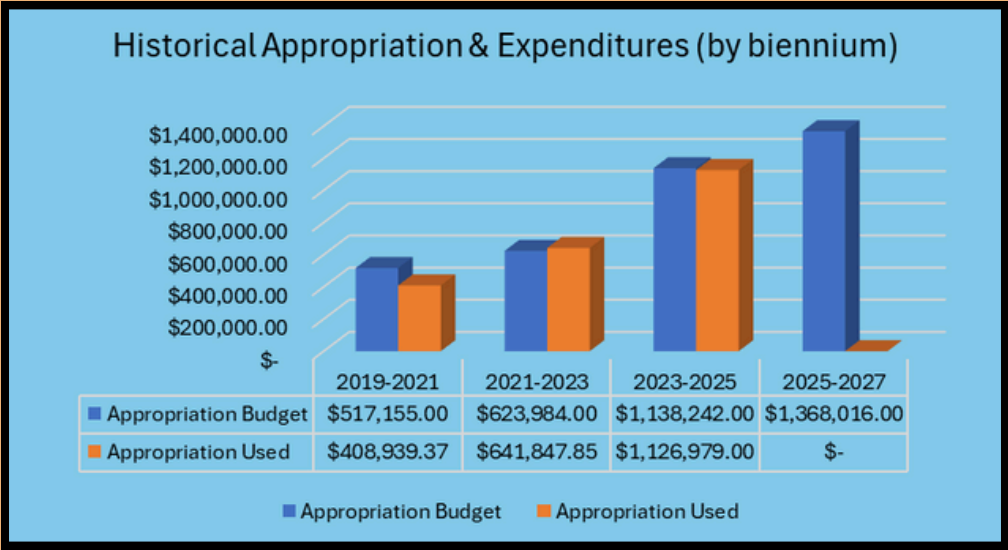
STAFF

Rebecca Binstock, Executive Director
Logan Carpenter, General Counsel
Adilene Moos, Operations Administrator

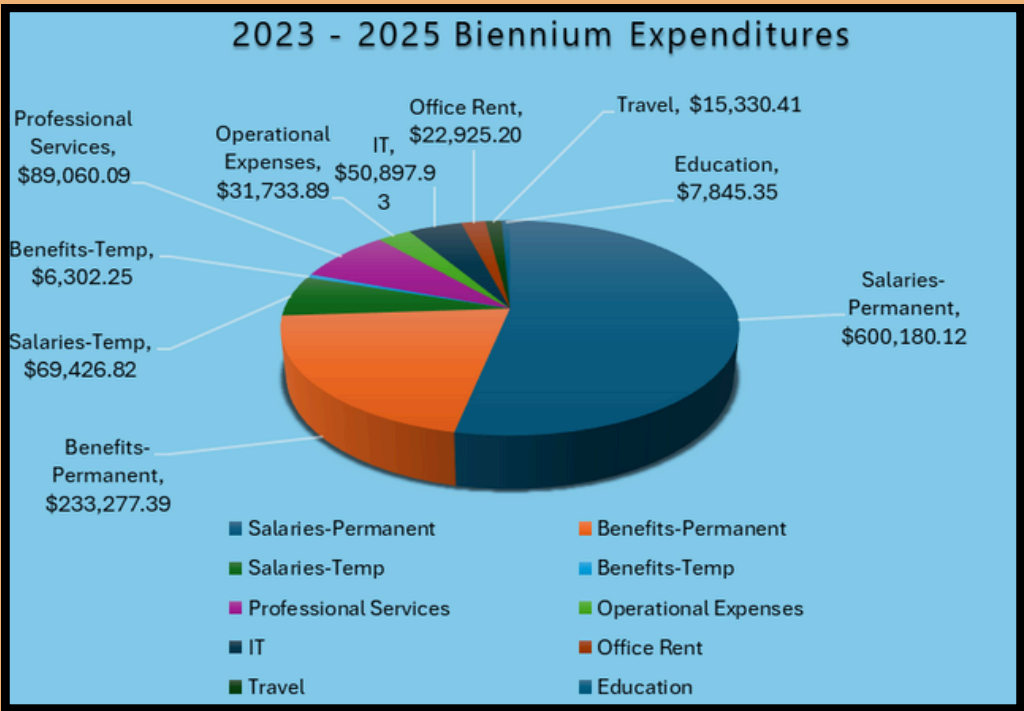
FINANCIAL REPORT

The Commission demonstrates excellent stewardship of state resources, has no audit findings, and utilizes appropriations effectively and efficiently.

HISTORICAL APPROPRIATIONS & EXPENDITURES (BY BIENNIUM)¹



OVERVIEW OF EXPENDITURES 2023 - 2025 BIENNIUM



OPERATIONAL HIGHLIGHTS



CONSTITUTIONAL DIRECTIVES

Article XIV of the North Dakota Constitution gives the Commission two directives:

- (1) to adopt ethics rules related to transparency, corruption, elections, and lobbying to which any lobbyist, public official, candidate for public office is subject; and
- (2) to investigate alleged violations of the Commission's rules, Article XIV of the Constitution, and related state law.

ADVISORY OPINIONS

During the 2021 legislative session, N.D.C.C. § 54-66-04.2 was enacted and authorized the Ethics Commission to issue advisory opinions.

- In 2023, the Commission issued 3 advisory opinions.
- In 2024, the Commission issued 1 advisory opinion.
- In 2025, the Commission issued 4 advisory opinions (as of June 30, 2025)

EDUCATIONAL OPPORTUNITIES

Since 2022, the Commission has prioritized educational opportunities and materials for individuals subject to the Commission's rules.

- In 2023, Commission staff conducted 17 unique educational sessions.
- In 2024, Commission staff conducted 29 unique educational sessions.
- In 2025, Commission staff conducted 5 unique educational sessions (as of June 2025).

OPERATIONAL HIGHLIGHTS: RULES ADOPTION

As of June 30, 2025, the Commission has adopted four sets of ethics rules.

COMPLAINT RULES

Adopted June 17, 2020

The complaint rules were first implemented following the passage of HB 1521 during the 2019 legislative session. The rules implemented the statutorily created process for the Commission to investigate complaints and impose penalties for ethical violations.

Amended July 28, 2021

The first amendments to the complaint rules were made to implement HB 1043 from the 2021 legislative session. HB 1043 changed the complaint process to allow summary dismissal of non-jurisdictional complaints. It also amended notice requirements, added statutory language that the Commission may require testimony and production of evidence, and changed how the Commission made criminal referrals.

Amended June 23, 2022

Amended language regarding executive sessions during Commission meetings for summarily dismissed and referred complaints.

Amended April 1, 2024

The complaint rules were amended to implement SB 2048 from the 2023 legislative session. The amendments changed notice and filing requirements and updated the definitions of complaint, complainant, and respondent.

Amended January 1, 2025

Amended language to clarify appeals from summary dismissals, provided a timeline for appealing a finding of the Commission to district court, and added language relating to time computation.

OPERATIONAL HIGHLIGHTS: RULES ADOPTION

LOBBYIST GIFT RULE

Adopted October 6, 2020

The lobbyist gifting rules were first adopted to implement the lobbyist gift prohibition in Article XIV and to provide certain exceptions.

Amended July 28, 2021

Amended to add a ten-dollar exception for food or beverage served for immediate consumption as part of an informal social and educational event.

QUASI-JUDICIAL BIAS RULE

Adopted June 23, 2022

The quasi-judicial bias rules were adopted to implement Article XIV, § 2(5). The rules require “directors, officers, commissioners, heads, or other executives of agencies” to avoid the appearance of bias in quasi-judicial proceedings and recuse when necessary.

CONFLICT OF INTEREST RULE

Adopted October 19, 2022

The conflict of interest rules were adopted to require public officials to disclose and manage conflicts of interest before “taking any action or making any decision in [a] matter.” The conflict of interest rules apply in situations that do not meet the criteria for the quasi-judicial bias rule.

OPERATIONAL HIGHLIGHTS: RULES ADOPTION

UNDER CONSIDERATION

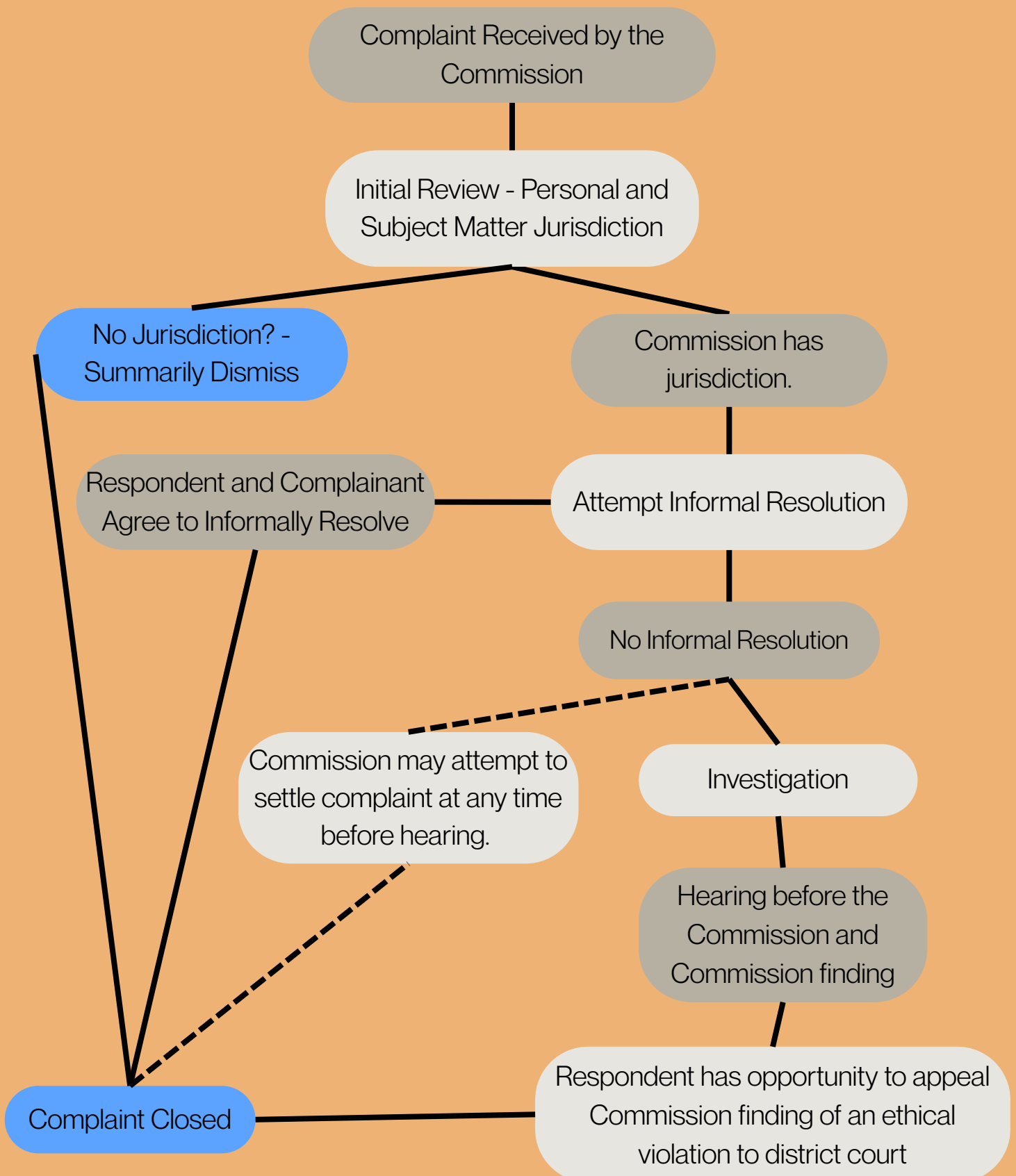
The Commission currently has two sets of rules in the rule making process: Travel Disclosure Rules and Amendments to the Complaint Rules.

The Travel Disclosure Rules would implement N.D. Const. art. XIV, § 3(2). The purpose of the proposed rules is to establish transparent disclosure requirements for public officials' travel. The proposed rules require public officials to file a travel disclosure statement for third party funded travel, require public officials to report agency-monitored travel, and set penalties for noncompliance.

The proposed amendments to the Complaint Rules would implement N.D. Const. art. XIV, § 3(2) and Senate Bill 2004 enacted during the most recent legislative session, concerning the complaint process, referrals of complaints to law enforcement, settlement of complaints with the Ethics Commission, motions to dismiss a complaint submitted by respondents, and complaint management time standards.

Both sets of rules, along with notices, can be found on the Commission's website at: www.ethicscommission.nd.gov/resources.

OPERATIONAL HIGHLIGHTS: COMPLAINT PROCESS



OPERATIONAL HIGHLIGHTS: COMPLAINT PROCESS

As outlined on the previous page, the process by which the Commission handles complaints generally consists of four stages:

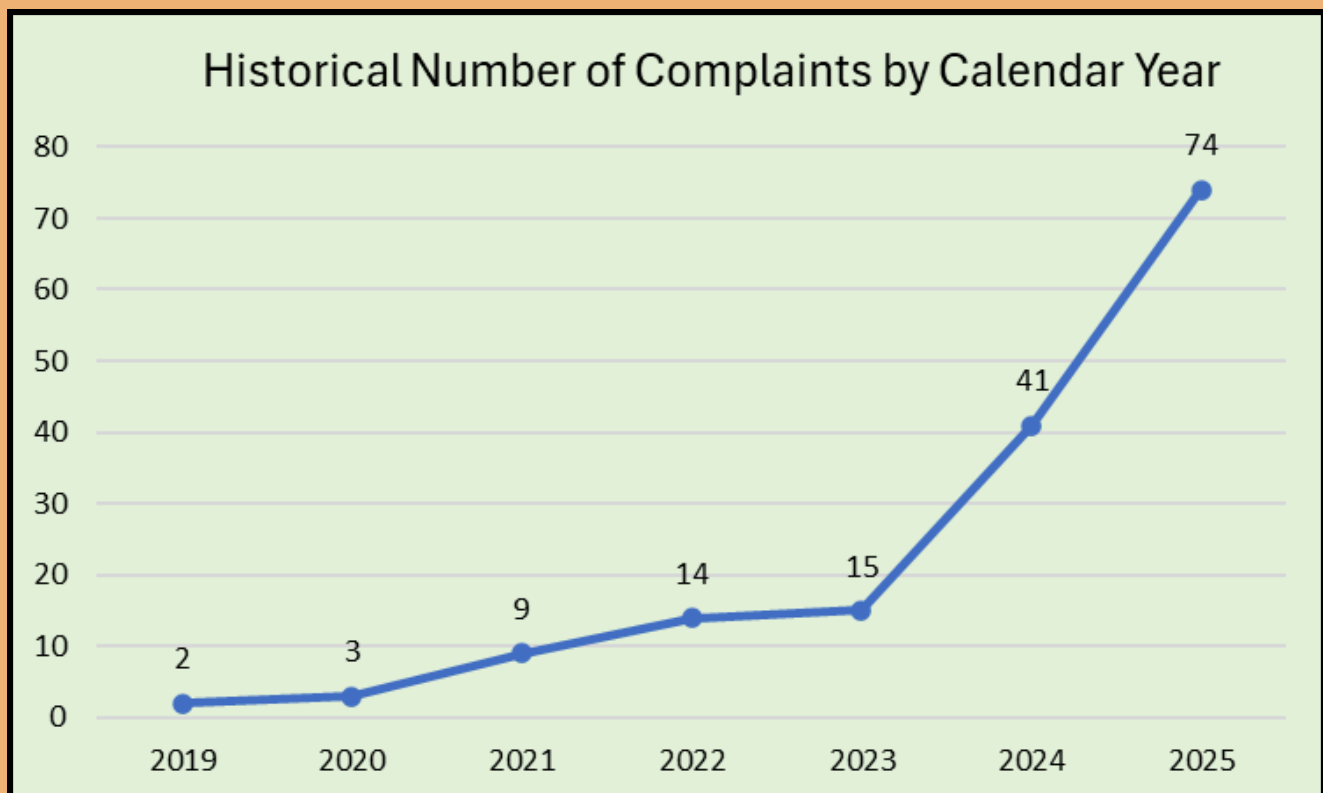
- Initial Review: The complaint is reviewed for personal and subject matter jurisdiction.
- Informal Resolution and Opportunity for Settlement: Commission facilitates resolution of the matter between the respondent and complainant. Participation in informal resolution is optional for both individuals. If informal resolution is not reached, a new 2025 amendment to the complaint process allows the Commission to attempt to settle the complaint with the respondent. The Commission has since adopted settlement guidelines to provide consistent and even-handed settlement offers across all complaints.
- Investigation: Commission investigates the allegations contained within the complaint.
- Hearing Before the Commission: Commission receives a report and recommendation from the executive director and determines whether an ethical violation has occurred.

OPERATIONAL HIGHLIGHTS: COMPLAINT TRENDS

The Commission receives complaints from North Dakota citizens which may allege ethical violations by a lobbyist, public official, candidate for public office, political committee, or contributor.

Since 2019, the Commission has received a total of 158 complaints. The great majority of complaints were filed after October 2022, with only 16 complaints filed prior to October 2022.

COMPLAINT FILING TREND (BY CALENDAR YEAR)²



OPERATIONAL HIGHLIGHTS: COMPLAINT RESOLUTION

COMPLAINT RESOLUTION (BY CALENDAR YEAR) ³

Year	Total Complaints Received	Pending		Closed	
2019	2	0	0%	2	100%
2020	3	0	0%	3	100%
2021	9	0	0%	9	100%
2022	14	0	0%	14	100%
2023	15	3	20%	12	80%
2024	41	17	41%	24	59%
2025	74	32	43%	42	57%
Totals	158	52	33%	106	67%

As of June 30, 2025, the Commission informally resolved 2 complaints, taking an average of 98 days to reach resolution without formal investigation.

Of the complaints filed, the Commission has closed or resolved 67% of all complaints. As of June 30, 2025, there were 52 pending complaints.

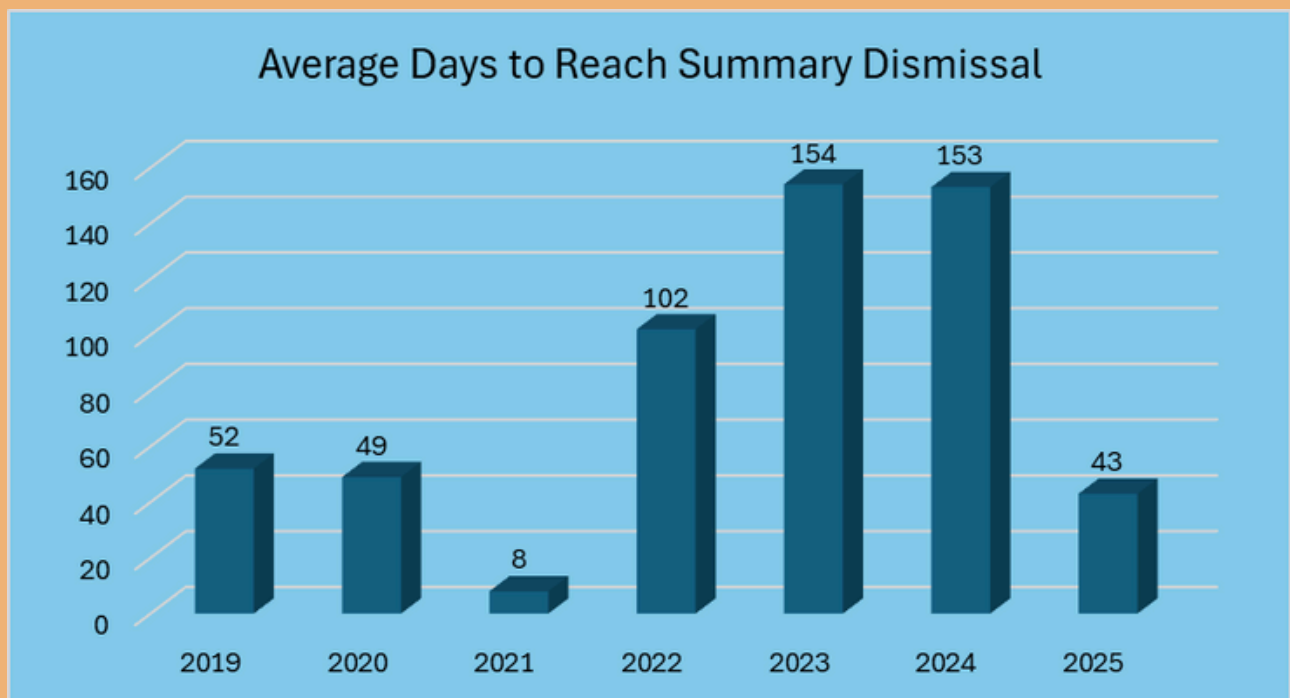
OPERATIONAL HIGHLIGHTS: COMPLAINT RESOLUTION

SUMMARY DISMISSALS

The majority of complaints are dismissed during the initial review process—this is referred to as a “summary dismissal.” These complaints are dismissed because the Commission lacks jurisdiction over the subject matter of the complaint, lacks personal jurisdiction over the respondent, or the complaint does not sufficiently state a claim for relief.

As of June 30, 2025, on average, the Commission summarily dismisses complaints in 29 days for lack of jurisdiction. However, it takes an average of 68 days to complete the initial review process and summarily dismiss a complaint when the Commission needs corroborating information to summarily dismiss. The chart below shows the average length a complaint was pending before it was summarily dismissed.

AVERAGE LENGTH OF SUMMARY DISMISSAL (BY CALENDAR YEAR) ⁴



OPERATIONAL HIGHLIGHTS: COMPLAINT RESOLUTION

INVESTIGATIONS

- On May 27, 2025, the Commission found a public official engaged in three ethical violations related to his ownership in entities that lease space to the State of North Dakota and his service in the Legislative Assembly. Information related to the complaint matter was previously confidential under North Dakota law. This finding was the result of 8 complaints being filed.
- From filing of the first of eight complaints through initial review, informal resolution, investigation, and final resolution, the process took 792 days because of the complexities present.
- These complaints were the first to proceed to a final hearing resulting in a Commission finding of an ethical violation.

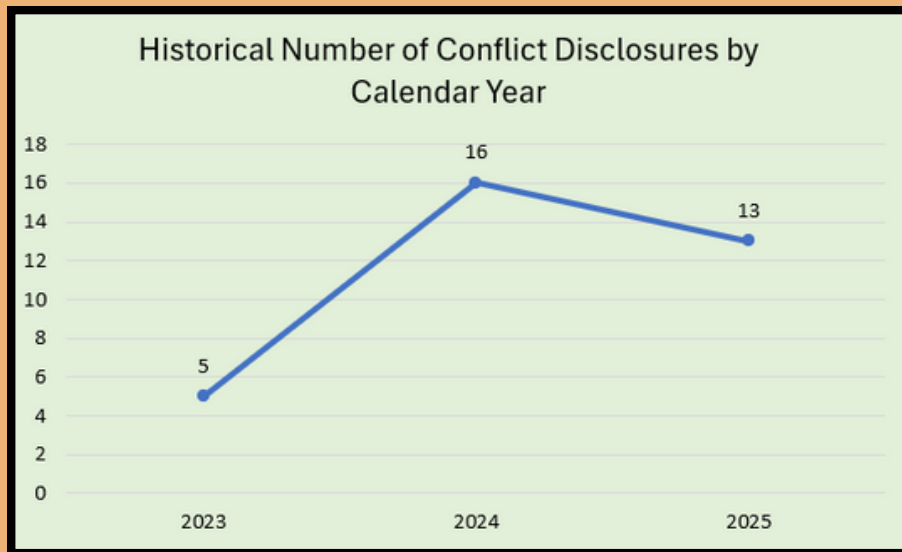
INFORMAL RESOLUTIONS & SETTLEMENTS

- Informal resolution between the complainant and the respondent has significant barriers to success, with the complainant driving the process under the statute.
- Legislation enacted during the 2025 Legislative Session now allows the Commission to step in and settle a complaint with a respondent. However, the Commission must still attempt informal resolution between the complainant and the respondent first.
- In July 2025, the Commission adopted Settlement Guidelines to facilitate consistent, evenhanded, and fair settlements across all complaints.

OPERATIONAL HIGHLIGHTS: DISCLOSURE FORMS

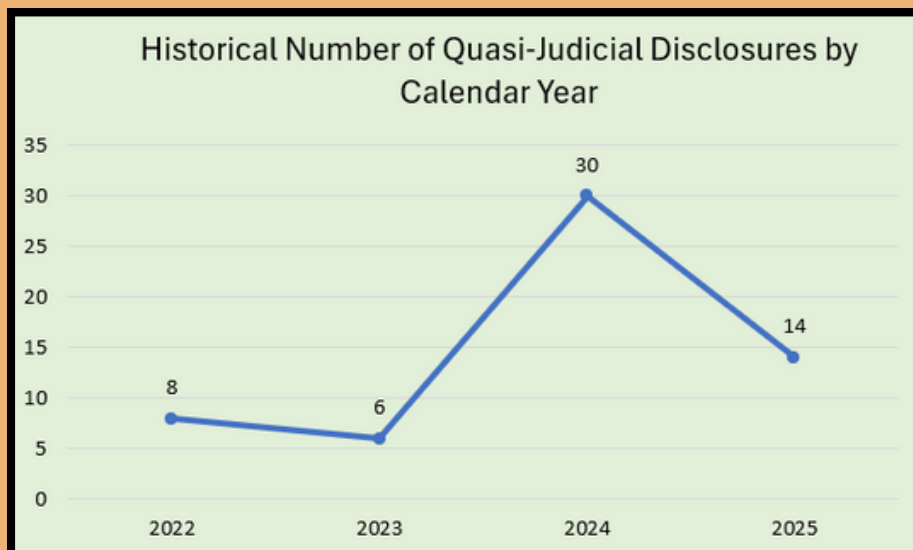
Under N.D. Admin Code section 115-04-01-04, public officials must disclose a potential conflict of interest by filing a form notifying the Commission of the management of a potential conflict of interest.

CONFLICT OF INTEREST DISCLOSURES (BY CALENDAR YEAR)⁵



Under N.D. Admin Code section 115-05-01-06, public officials must disclose a potential conflict of interest or campaign money or in-kind support arising from a quasi-judicial proceeding by filing a form notifying the Commission of the appearance of bias.

QUASI-JUDICIAL BIAS DISCLOSURES (BY CALENDAR YEAR)⁶



OPERATIONAL HIGHLIGHTS: ADVISORY OPINIONS

The Commission issues advisory opinions pursuant to N.D.C.C. § 54-66-04.2, which authorizes the Commission to issue advisory opinions regarding: Article XIV of the North Dakota Constitution or state statutes and ethics commission rules related to transparency, corruption, elections, and lobbying.

The Commission issues advisory opinions within 90 days of notifying the requestor it will issue an opinion. The following advisory opinions were issued prior to June 30, 2025. The average time it took the Commission from notification to issuance of these advisory opinions was 83 days. For one opinion, 25-01, the Commission and the requester agreed to an extended timeline due to the 2025 legislative session. Without including this opinion, the average time was 72 days from notification to issuance.

ADVISORY OPINION 22-02⁷

Concluded the event described in the request is allowable under North Dakota ethics rules and statutes, with limitations. The sponsor of the event may be required to reveal the donor(s) who underwrite the costs of the event depending on the circumstances. Further concluded the rules adopted by the Commission do not apply differently to the different entities; however, other rules and regulations may apply that place limitations on different entities.

ADVISORY OPINION 23-01

Concluded the 68th Legislative Assembly Senate and House Rules can be harmonized with the Commission's conflict of interest rules. Specifically, the Senate, House, and Joint Rules can control the disclosure of conflicts of interest, with the guidance provided in the Commission's rules when the Senate and House rules are quiet.

ADVISORY OPINION 23-02

Concluded the payment of travel expenses by the North Dakota Soybean Council for legislators to participate in See For Yourself – Pacific Northwest Soybean Handling Infrastructure Tour is not a prohibited gift under Article XIV and the Commission's rules as the gift is not given or accepted in conjunction with efforts to lobby public officials by a lobbyist.

OPERATIONAL HIGHLIGHTS: ADVISORY OPINIONS

ADVISORY OPINION 24-01

Concluded that when an individual is the subject of a pending quasi-judicial proceeding before the Board and files ethics complaints against all Board members, the pending ethics complaint itself does not create a potential conflict of interest for the Board members. Board members must remain cognizant of all ethical responsibilities throughout a quasi-judicial proceeding, including those raised in a pending ethics complaint.

ADVISORY OPINION 24-02

Concluded an organization hosting a conference, where attendees normally pay for their meals, can cover the cost of a legislator's meal, if the event otherwise meets the criteria for a private or public social and educational event. Awarding an acrylic plaque to a legislator at a private or public social and educational event is permissible if the plaque does not derive independent resale value.

ADVISORY OPINION 24-03

Concluded a brand partnership with a hypothetical vendor would not meet the definition of a prohibited lobbyist gift, so long as the exchanged value meets fair market consideration. Public officials must remain cognizant of other laws prohibiting bribery and similar conduct, campaign finance laws, and conflict of interest disclosure requirements. Legislators must also recognize their own rules, including Joint Rule 1002, when considering brand partnerships.

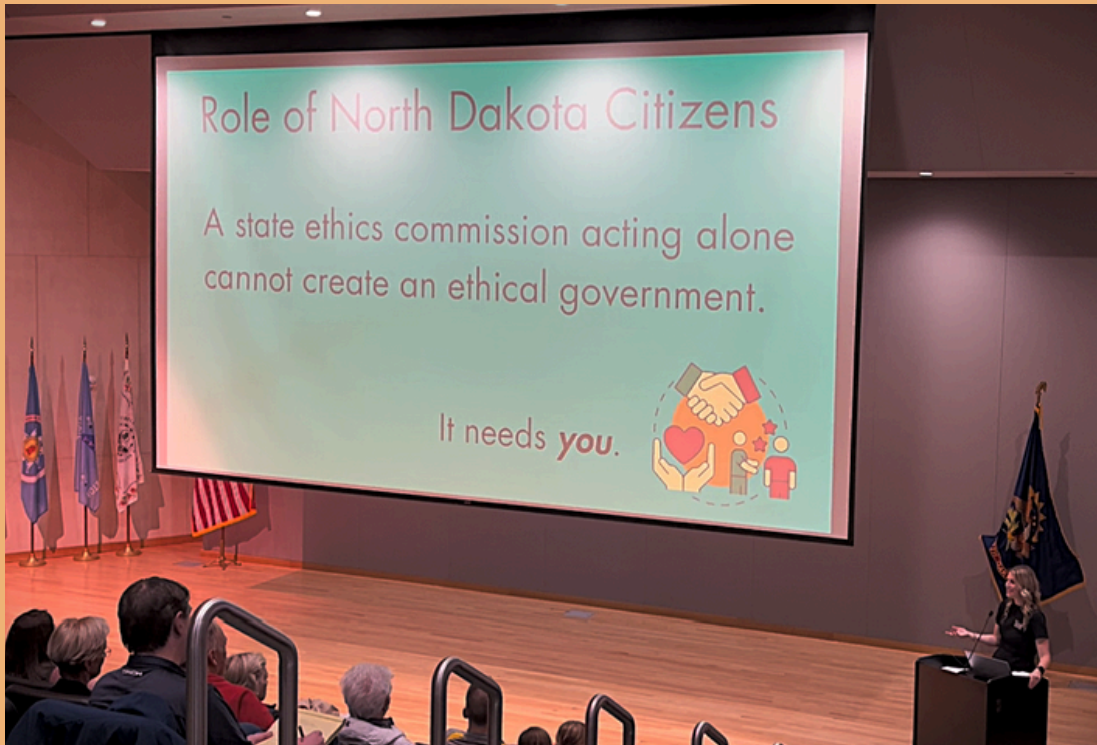
ADVISORY OPINION 25-01

Concluded that in some instances it is a permissible campaign expenditure to pay for caregiving expenses. The candidate/public official must be able to reasonably show the expenses resulted from campaign or officeholder activities. Due to the general threat environment faced by candidates and public officials, it is a permissible campaign expenditure to pay for security expenses, meaning non-structural security devices, cybersecurity software, and security personnel when incurred as a result of campaign activity and holding public office. When permissible by law, the candidate/public official must pay fair market value for the expenses.

ADVISORY OPINION 25-02

Concluded a public official may attend an event out of state, including speaking on a panel at the Center for Freethought Equality's Annual Members' Meeting. However, a public official must not accept a prohibited lobbyist gift. It was permissible for the public official to accept travel and registration costs for the events at issue. He will provide fair market consideration by speaking at the events in exchange for the costs.

EDUCATION & OUTREACH



OVERVIEW

From January 1, 2023 to June 30, 2025, Commission staff conducted 49 educational and/or training presentations, which were attended by an estimated 1,100 North Dakota residents. The most notable of these educational and training presentations was the Commission's Dakota Dilemmas Webinar Series. The Commission offered continuing education credits to lawyers, paralegals, and accountants for attendance at the Dakota Dilemmas webinars.

The Commission created a quarterly newsletter, *Prairie Principles*, which provides up-to-date information regarding proposed ethics rules, advisory opinions, educational opportunities, and meeting minutes. The *Prairie Principles* Newsletter was first distributed by email on July 31, 2024.

The Commission created a Facebook page and YouTube Channel in September 2023 to engage with North Dakotans through social media. The Commission creates its own content and manages these pages internally.

RECOMMENDATIONS TO INCREASE TRANSPARENCY



REQUIRE EMAIL ADDRESSES FOR LOBBYIST REGISTRATION

Currently, individuals who register as lobbyists are not required to include an email address on the registration form. Commission staff retrieve lobbyist email addresses from their business profiles or other public documents in order to communicate with them. This process is time consuming and lacks accuracy. The Commission recommends lobbyists be required to include an email address when registering.

STATE LEASING SUBJECT TO PROCUREMENT PROTECOLS

State leases for office space, buildings, or real property have long been exempt from a competitive bidding process. There have been improvements to the administrative rules governing these leases as well as better disclosure of landlords (see N.D.C.C. § 54-21-24.1). The Commission has long discussed that the process to procure leased office space, buildings, or real property needs to a more competitive, transparent process.

IMPROVEMENTS TO COMMISSION RULE MAKING PROCESS

As outlined in N.D.C.C. § 54-66-11 and Chapter 28-32, the Commission follows a rule making process with a notice and comment period for citizens, which includes one public hearing. Due to the potential impact, scope, and import of its rules, the Commission would like to consider a more thorough rule making process, beyond that for state administrative agencies, with ample opportunity for interactive discussion and revision prior to final adoption.

CONTACT

North Dakota Ethics Commission
600 E Boulevard Avenue Dept. 195
701.530.5325

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ethicscommission@nd.gov

ENDNOTES

1. In 2023, the Commission requested and the Legislature approved an emergency clause for its 2023-2025 biennial budget to ensure sufficient funds were appropriated for the Commission's operations during the 2021-2023 biennium. The Commission's operational expenses for 2021-2023 exceeded its original appropriation.
2. Complaint information for calendar year 2025 is through June 30, 2025.
3. Complaint information for calendar year 2025 is through June 30, 2025.
4. Complaint information for calendar year 2025 is through June 30, 2025.
5. Conflict of interest disclosure information for calendar year 2025 is through June 30, 2025.
6. Quasi-judicial bias disclosure information for calendar year 2025 is through June 30, 2025.
7. The Commission received Advisory Opinion Requests 22-01 and 23-03 but exercised its discretion to not issue Advisory Opinions for those requests.