

**Section I -
Who is a Candidate?**

Under the Nebraska Political Accountability and Disclosure Act (the NPADA), you are a "candidate" in the 2007 Lincoln City Election if you:

- File for an elective office which will be on the ballot of the 2007 City of Lincoln elections; or
- Receive a contribution, make an expenditure, or give consent for another person to do so on your behalf, for the purpose of bringing about your nomination or election to an elective office at the 2007 City of Lincoln elections. This is true even if you do not know the specific office you will be seeking when the contribution or expenditure is made.

**Section II -
*Statement of Financial Interests***

If you are a candidate for the office of Mayor or City Council member in the 2007 Lincoln City Elections, you must file a *Statement of Financial Interests* (NADC Form C-1) with the Lancaster County Election Commissioner when you file to run for the office. This statement must cover the calendar year preceding the year in which you file for office (i.e., if you file for office in 2007, your *Statement of Financial Interests* must cover calendar year 2006). You must also file a copy of your *Statement of Financial Interests* with the Nebraska Accountability and Disclosure Commission (the Commission) within five days after you file to run for the office.

NOTE: If you already have a *Statement of Financial Interests* for the appropriate year on file, you do not need to file a duplicate statement.

**Section III -
Formation of Your Candidate Committee**

As a candidate for an elective office in the 2007 Lincoln City Elections, you are subject to the campaign finance provisions of the NPADA.

As a candidate, you must keep records of all contributions received and all expenditures made for your campaign. "Contributions" are defined as money or anything of monetary value that you receive in support of your campaign. "Expenditures" are defined as money or anything of monetary value paid or owed either by you or with your knowledge in support of your election.

Contributions include the following:

- Your own personal funds and/or property used for campaign purposes;
- Loans received by you for campaign purposes;
- All funds, goods, and services that you receive from others for campaign purposes; and
- Pledges (A pledge is an oral or written promise of a future contribution).

Under the NPADA, your candidate committee is formed, by law, on the date that you first raise, receive, or spend more than \$5,000 during any calendar year in support of your election. Remember that your personal funds and/or resources used for your campaign are considered campaign contributions and campaign expenditures. If you finance your campaign solely with personal funds and spend more than \$5,000 during any calendar year, you have formed a candidate committee.

Upon the formation of your candidate committee, you must:

- Appoint a committee treasurer who is a qualified elector of the State of Nebraska. If you wish, you may serve as treasurer of your own committee (you can be a committee of one). If you do not appoint a treasurer, then you are considered the treasurer of your committee.
- Establish a separate account in a financial institution in Nebraska as an official depository for your committee. All contributions of money received by your committee for your campaign must be deposited into this account. All expenditures of money made by your committee for your campaign must be made from this account.

NOTE: Secondary accounts may also be established for the sole purpose of transferring funds to your committee's official depository account. However, no expenditures may be made from any secondary account.

- File a *Statement of Organization of a Political Committee* (NADC Form A-1) with the Commission within ten days after your committee is formed by law (within ten days of exceeding the \$5,000 threshold, except as noted at NEW LAW on page 3).

You must also inform the Commission of any changes to information contained in your committee's Statement of Organization (change of address, change of treasurer, change of depository, etc.).

Section IV - Restrictions on Loans and Interest

Loan Restrictions: Under the NPADA, there are limits on the amount of loans that you and your committee may receive for campaign purposes. These limits apply to two separate and distinct time periods. The first period covers your committee until thirty days after its formation. The second period covers your committee starting thirty-one days after its formation.

LOAN LIMIT – PERIOD 1: Prior to or during the first thirty days after its formation, your committee shall not accept loans totaling more than \$15,000.

LOAN LIMIT – PERIOD 2: Beginning with the thirty-first day after its formation, your committee shall not accept loans totaling more than fifty percent of the contributions of money, excluding the proceeds of loans, which your committee has received. This restriction continues until the end of the term of office that you are seeking, regardless of whether you are elected to office.

EXAMPLE (Period 1): Candidate A's candidate committee was formed by law on November 15, 2006. As of December 15, 2006 [the last day of Period 1], Candidate A's committee was limited to a total of \$15,000 in campaign loans accepted, regardless of the amount of contributions of money other than loans received by Candidate A's committee. (Contributions received by a candidate committee have no effect on that committee's loan limit for Period 1).

EXAMPLE (Period 2): Candidate A's candidate committee was formed by law on November 15, 2006. As of January 15, 2007, Candidate A's committee had received contributions of money other than loans totaling \$10,000. As of January 15, 2007, Candidate A's committee was limited to \$5,000 [50% of \$10,000] in campaign loans accepted on or after December 16, 2006 [the first day of Period 2], regardless of the amount of loans received by Candidate A's committee prior to December 16, 2006. (Loans received by a committee during Period 1 have no effect on that committee's loan limit for Period 2).

Interest Payment Restrictions: Your committee may not pay interest on a campaign loan that it has received from you, from a member of your immediate family, or from a business with which you are associated.

Your immediate family includes a child residing in your household, your spouse, or an individual claimed by you or your spouse as a dependent for federal income tax purposes.

A "business" is defined as any corporation, partnership, limited liability company, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, activity, or entity. The term "business" includes for profit entities and non-profit entities.

A business with which you are associated includes a business in which you are a partner, limited liability company member, director, or officer. A business with which you are associated also includes a business in which you or a member of your immediate family is a stockholder of:

- Closed corporation stock with a fair market value of \$1,000 or more;
- Closed corporation stock which represents more than a five percent equity interest;
- Publicly traded stock with a fair market value of \$10,000 or more; or
- Publicly traded stock which represents more than a ten percent equity interest.

Section V - Campaign Reporting Requirements of Your Committee

Your committee will be required to file various statements and reports during your campaign. These filings must be made with the Commission.

IMPORTANT NOTE: Under the NPADA, late filing fees are assessed against any required filing that is not either received in the Commission office, or postmarked by the U.S. Postal Service, on or before the due date for that filing. By law, a candidate is ultimately responsible for any late filing fees or interest thereon.

Statement of Organization of a Political Committee (NADC Form A-1): The Statement of Organization registers your committee with the Commission. Your committee's Statement of Organization is due ten days after your committee is formed by law (within ten days after exceeding \$5,000 of receipts or expenditures in a calendar year).

- Failure to file a Statement of Organization as required is subject to late filing fees of \$25 per day for each day the statement remains not filed, not to exceed \$750. Failure to file a required Statement of Organization may also result in civil penalties.

NEW LAW: During the 30 days immediately preceding the election, a candidate committee must file its Statement of Organization within **2 days** after the committee is formed. For the 2007 Lincoln City Primary Election, the 2 day provision applies from March 4, 2007 through April 2, 2007, inclusive. For the 2007 Lincoln City General Election, the 2 day provision applies from April 3, 2007 through April 30, 2007, inclusive. During these periods the late filing fee for failing to timely file a Statement of Organization is \$100 per day, not to exceed \$1,000.

It is important that you report any changes of your committee's address or treasurer to the Commission. This helps ensure that your committee receives notices from the Commission regarding its filing requirements. These changes may be reported either on an amended Statement of Organization, or on the next required *Campaign Statement*.

Once formed, your committee remains in existence until it is formally dissolved. If you have previously had a candidate committee (as an officeholder or candidate), and you have questions concerning whether your previous committee still exists, please contact the Commission office.

Campaign Statement (NADC Form B-1): The *Campaign Statement* reports your committee's financial activity during the reporting period covered by the statement. The *Campaign Statement* also lists your committee's significant contributors and significant expenditures. For the 2007 Lincoln City Elections, your committee will be required to file several *Campaign Statements* as noted below.

Annual Campaign Statement: If your committee was formed on or before December 31, 2006, your committee will need to file an Annual *Campaign Statement* for calendar year 2006. This Annual Statement is due January 31, 2007.

Election year Campaign Statements: Your committee will be required to file *Campaign Statements* for the 2007 Lincoln City Primary Election according to the following schedule:

Lincoln Primary Election (April 3, 2007)

<u>Report</u>	<u>Due Date</u>	<u>Reporting Period</u>
1 st Primary Statement	March 5, 2007	January 1 through February 27, 2007
2 nd Primary Statement	March 26, 2007	February 28 through March 19, 2007
*Post Primary Statement	May 14, 2007	March 20 through May 8, 2007

*NOTE: If you advance to the Lincoln General Election, your committee should not file a Post Primary Statement.

If you advance to the General Election, your committee will be required to file additional *Campaign Statements* for the 2007 Lincoln City General Election according to the following schedule:

Lincoln General Election (May 1, 2007)

<u>Report</u>	<u>Due Date</u>	<u>Reporting Period</u>
1 st General Statement	NOT REQUIRED	
2 nd General Statement	April 23, 2007	March 20 through April 16, 2007
Post General Statement	June 11, 2007	April 17 through June 5, 2007

If you do not advance to the General Election, your committee should not file *Campaign Statements* for the General Election.

- Failure to file a *Campaign Statement* as required is subject to late filing fees of \$25 per day for each day the statement remains not filed, not to exceed \$750 per statement. Failure to file a required *Campaign Statement* may also result in civil penalties.

Period Covered by Campaign Statements: The reporting period for a *Campaign Statement* begins with the day after the closing date of your committee's previous *Campaign Statement* and ends with the closing date of the *Campaign Statement* due. For your committee's first *Campaign Statement*, the reporting period begins with the date money was first raised, received, or expended.

If your committee is formed by law after the closing date for a given *Campaign Statement*, then your committee does not have to file that statement. EXAMPLE: Candidate B's candidate committee is formed by law on March 1, 2007. The first *Campaign Statement* required to be filed by the Candidate B's committee would be the 2nd Primary Statement.

Report of Late Contribution (NADC Form B-5): Under the NPADA, a "late contribution" is defined as a contribution (including a loan or pledge) of \$1,000 or more received from a single source (including the candidate) during the fourteen days immediately preceding an election. For the 2007 Lincoln Primary Election, this late contribution window runs from **March 20 through April 2, 2007**. For the 2007 Lincoln General Election, this late contribution window runs from **April 17 through April 30, 2007**.

Your committee must file a *Report of Late Contribution* for each "late contribution" received. This report is due two days after your committee receives the "late contribution". It may be filed by fax.

Failure to file a *Report of Late Contribution* as required is subject to late filing fees of **either \$100 per day for each day the report remains not filed, not to exceed \$3,000, or ten percent of the late contribution required to be reported, whichever is greater, per report.** Failure to file a required *Report of Late Contribution* may also result in civil penalties.

Statement of Dissolution of a Political Committee (NADC Form A-2): Once formed, your committee remains in existence until it is formally dissolved. If you are not elected to office, you may wish to dissolve your committee. You may dissolve your committee if:

- 1) Your committee does not expect to receive additional contributions;
- 2) Your committee has paid all of its outstanding debts; and
- 3) Your committee has disposed of all unexpended funds and any other assets.

To begin the dissolution process, your committee must file a Statement of Dissolution along with a final *Campaign Statement* showing that your committee has no remaining obligations or assets. Your committee is not dissolved until the Commission has accepted the Statement of Dissolution. You will be notified in writing by the Commission when your committee is considered dissolved.

NOTE: An officeholder may not dissolve his or her candidate committee except under certain circumstances. If you are an officeholder, and you wish to dissolve your committee, please contact the Commission office for further information.

Section VI- Record Keeping Requirements

You shall designate one account in a Nebraska financial institution as your committee's official depository for the purpose of depositing all campaign contributions received in the form of (or converted to) money, checks, or other negotiable instruments, and for the purpose of making all campaign expenditures. Contributions received by your committee shall not be commingled with any funds of any other person (including you, your committee's treasurer, or any agent of your committee).

Contributions received by you or by any agent of your committee must be promptly reported to your committee's treasurer. Your committee's treasurer shall maintain detailed records and adequate supporting documentation of all contributions received by your committee. This includes cash contributions, in-kind contributions, pledged contributions, earmarked contributions (contributions received through a third party), and loans.

Your committee's treasurer should use your committee's loan records to help ensure that your committee does not exceed the loan limitations of the NPADA.

For reporting purposes under the NPADA, the date of a contribution is the date that you, your treasurer, or an agent of your committee receives the contribution, regardless of when the contribution is deposited into your committee's account. EXAMPLE: Candidate C receives a \$300.00 cash contribution on February 27, 2007, but does not deposit this contribution into his or her committee's account until March 2, 2007. This contribution is considered received by Candidate C's committee on February 27, 2007, and must be reported on the 1st Primary Statement filed by Candidate C's committee.

For reporting purposes under the NPADA, a pledge is considered a contribution on the date the pledge is made.

Your committee shall not make expenditures without the authorization of your committee's treasurer or assistant treasurer. However, expenditures made by you or by an agent of your committee shall be considered as made by your committee. Your committee's treasurer shall maintain detailed records and

adequate supporting documentation of all expenditures made by your committee (and by agents of your committee).

Records of reimbursements for expenses incurred on behalf of your committee must include the name and address of the payee and the name and address of the actual provider of the goods or services. The records must also include a description of the goods or services provided.

Raffles are regulated by state law. Before holding a raffle for a fundraising event, you should contact the Charitable Gaming Division of the Nebraska Department of Revenue at 402-471-5937 or toll free 877-564-1315

Special Note to Committees Using the Services of Advertising Agencies (or other agents): An advertising agency (or any other agent of your committee) shall not make any expenditure on behalf of your committee unless your committee reports the expenditure if as made directly by your committee, or unless the advertising agency (or other agent) files an *Agent's Expenditure Report*. In addition, the advertising agency (or other agent) must provide your committee with all the information required to be reported, regardless of who reports this information.

Example: Committee pays ABC Advertising \$5,000 for advertising and consulting services. ABC uses \$700 of the money to buy airtime from radio station KDKQ. The committee report should show "ABC Advertising- \$5,000 (Radio Station KDKQ- \$700)". Use parenthesis for third party payees to avoid duplicate reporting.

Your committee must maintain its records for a period of five years after its dissolution.

For additional information concerning record keeping requirements of a candidate committee, please refer to the Candidate Committee Treasurer's Guide, a separate publication that is available from the Commission office or on the Commission's website at <http://nadc.nol.org>.

Section VII- Campaign Advertising Requirements

Identification of Campaign Advertising: Your campaign's printed materials must include a disclaimer stating the name and street address of the person (or committee) who paid for those materials. The following is an example of a disclaimer for printed material that complies with the law:

Paid for by the Sam Jones for City Council Committee
1234 North 12th Street
Anywhere, NE 68000

If the person who paid for the materials acted at the direction of or received reimbursement from your committee, then your committee is considered to have paid for the materials.

If your committee has a website, it must include a disclaimer.

Television and radio advertisements must include a disclaimer stating the name of the person (or committee) who paid for the ads. The person's (or committee's) street address need not be included in the disclaimer if the station(s) running the ad agree to keep the person's name and street address on file and available to the public for six months after the advertisement is run.

A prerecorded message relating to a candidate or ballot question disseminated by any means of telecommunication shall include the name of the person or committee who paid for the message. A person or committee disseminating by any means of telecommunication a message not prerecorded relating to a candidate or ballot question shall disclose the name of the person or committee paying for the message upon the request of the recipient of the message. If the message is disseminated through an agent or employee of

the person or committee making the expenditure for the message, the disclosure shall be of the identity of the person or committee making the expenditure.

Automatic Dialing Devices: State law requires the registration of automatic dialing devices with the Public Service Commission. Candidates, or agents of candidates, using automatic dialing devices should contact the Public Service Commission at 1200 N Street, Suite 300, Lincoln, NE 68508 or call 402-471-3101.

NOTE: **If** you, as a candidate, use only your personal resources to pay for campaign advertising, **and if** you do not have a candidate committee (you have not exceeded \$5,000 of receipts or expenditures), **then** you are exempt from the disclaimer requirements for campaign advertising. This exemption ends when you form a candidate committee, or when you first use someone else's resources to pay for campaign advertising.

Certain campaign items are exempt from these disclaimer requirements. Exempt campaign items include windshield stickers, yard signs, bumper stickers, campaign buttons, balloons, billboards, and other items as specified in Commission Rule 8. A copy of the Commission Rule 8 is included in this brochure for your reference.

Campaign Sign Regulations- The Nebraska Accountability and Disclosure Commission **does not** regulate the placement or time of placement of campaign signs. The regulation of campaign signs is a matter of local ordinance. The Commission does not maintain information on local campaign sign ordinances.

Section VIII- Reporting Requirements of Others

Report of Political Contributions of a Corporation, Union or Other Association (NADC Form B-7): Any corporation, labor organization, or industry, trade, or professional association, which is either registered with the Nebraska Secretary of State's office or does business within the State of Nebraska must report its political contributions to the Commission. Any direct contribution of more than \$250 (cash, pledge, or loan), in-kind contribution to, or independent expenditure on behalf of a candidate committee by such an organization is reportable.

The contributor is responsible for filing this report. However, you should inform your contributors to whom this requirement may apply. Failure to file this report as required will subject the contributor to late filing fees, and may also result in civil and/or criminal penalties.

Out of State Contribution Report (NADC Form B-9): Under the NPADA, a "Major out-of-state contributor" is defined as a corporation, union, industry association, trade association, or professional association which is not organized under the laws of Nebraska and which makes contributions or expenditures totaling more than \$10,000 during any calendar year. "Major out-of-state contributor" does not include: a person who files B-7 reports with the Commission; a committee registered with the Commission; or a committee registered with the Federal Election Commission. Any "major out-of-state contributor" is required to report its political contributions to the Commission.

The contributor is responsible for filing this report. However, you should inform your out-of-state contributors of the requirement. Failure to file this report as required will subject the contributor to severe late filing fees, and may also result in civil penalties.

Report of Earmarked Contribution (NADC Form B-3): Any person who acts as an intermediary or agent for a contribution "earmarked" to your committee is required to report the actual source of the contribution. The intermediary or agent must file a Report of Earmarked Contribution with your committee at the time that it makes the contribution. Within 10 days after the receipt of the contribution by intermediary or agent, the intermediary or agent shall file a copy of the report with the Commission. If the

intermediary or agent is a committee, a copy of report shall be filed at the time its next campaign statement is due.

The intermediary or agent is responsible for filing this report. However, if you are aware that a contribution is “earmarked”, you should inform the intermediary or agent of this requirement. Failure to file this report as required will subject the intermediary or agent to late filing fees, and may also result in civil and/or criminal penalties.

Report of Independent Expenditure (NADC Form B-6): Under the NPADA an “independent expenditure” is defined as an expenditure to influence an election which is not a contribution to a committee and which is not made at the direction or under the control of, or with the cooperation of another person.

Political committees must report independent expenditures on their *Campaign Statements*. Corporations, labor organizations, and industry, trade, or professional associations must report independent expenditures on their *Reports of Political Contributions of a Corporation, Union or Other Association* (or on their *Out of State Contribution Reports*).

Any person (except a committee, corporation, labor organization, or industry, trade or professional association) who makes an independent expenditure of more than \$250 to support or oppose a candidate’s election must file a report of the independent expenditure with the Commission within 10 days after the independent expenditure is made.

The person making the independent expenditure is responsible for filing this report. Any such person’s failure to file this report as required is subject to late filing fees, and may also result in civil and/or criminal penalties.

Agent’s Expenditure Report (NADC Form B-10): Any agent of your committee (such as an advertising agency or other independent contractor) who makes expenditures on your committee’s behalf must provide information concerning those expenditures to your committee. This information must also be reported to the Commission. It may be reported either by your committee on its campaign statements or by your agent on an Agent’s Expenditure Report. An Agent’s Expenditure Report is due within 10 days after the end of the calendar month in which the expenditure is made.

You should make sure that your committee’s agents understand this requirement. To avoid confusion, if your committee makes an agreement with an agent, you may wish to include a provision specifying who will report expenditures made by the agent on your committee’s behalf.

Report of Late Independent Expenditure (NADC FORM B-11) - Applies to independent committees and separate segregated political funds, commonly known as PACs. A late independent expenditure is an independent expenditure of \$1,000 or more made during the 14 days immediately preceding the election. A late independent expenditure must be reported within two days after the expenditure is made. A late independent expenditure may be reported on NADC Form B-11 entitled Report of Late Independent Expenditure. It may be filed in person, by mail or by fax.

Late filing fees are \$100 per day, not to exceed \$3,000 or 10% of the amount of the expenditure to be reported, whichever is greater.

Section IX- Reporting Forms and Commission Rule 8

The following reporting forms are included in this brochure:

- NADC Form C-1 – *Statement of Financial Interests*;
- NADC Form A-1 – *Statement of Organization of a Political Committee*;
- NADC Form B-1 – *Campaign Statement (Candidate Committees)*;

- NADC Form B-5 – *Report of Late Contribution*;
- NADC Form A-2 – *Statement of Dissolution of a Political Committee*.

Additional reporting forms are available from the Commission. **Forms may also be downloaded on to your personal computer from the Commission’s website at <http://nadc.nol.org>.** Click on the Campaign Finance tab. Then click on “Download Forms” and click on the form you need. Once downloaded, you may complete the form on your personal computer and print it. The Commission’s telephone number is 402-471-2522. Its address is:

Nebraska Accountability and Disclosure Commission
11th Floor State Capitol
P.O. Box 95086
Lincoln, NE 68509

The test of Commission Rule 8, Designation of Printed or Reproduced Items Exempt from Disclaimer Requirements and Rules and Regulations on the Size and Placement of Disclaimers, is as follows:

TITLE 4 – NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION

CHAPTER 8 – DESIGNATION OF PRINTED OR REPRODUCED ITEMS EXEMPT FROM DISCLAIMER REQUIREMENTS AND RULES AND REGULATIONS ON THE SIZE AND PLACEMENT OF DISCLAIMERS.

(Adopted September 11, 1987 and amended on October 19, 1990)

STATUTORY AUTHORITY

This rule is adopted pursuant to the provisions of section 49-14,123(1) and section 49-1474.01.

8-(1) **Scope and Application:** This rule designates the items relating to a candidate or a committee which are printed or reproduced at the request of a candidate or committee which are exempt from the disclaimer requirements of section 49-1474.01 and establishes rules and regulations determining the size and placement of disclaimers on non-exempt items relating to a candidate or committee which are printed or reproduced at the request of such a candidate or committee.

8-(2) **Designation:** Pursuant to section 49-1474.01(2) the following items relating to a candidate or committee which are printed or reproduced at the request of such candidate or committee are exempt from the disclaimer requirements of section 49-1474.01(1): windshield stickers, yard signs, bumper stickers, campaign buttons, balloons, Christmas cards, address books, ashtrays, badges & badgeholders, cigarette lighters, clothespins, T-shirts, coasters, combs, cups, earrings, emeryboards, envelopes, erasers, flyswatters, frisbees, glasses, golf balls, golf tees, hats, horns, icescrapers, keyrings, knives, letter openers, magnifying glasses, matchbooks, mini-pocket calculators, nailclippers, nailfiles, napkins, noisemakers, paper & plastic cups, paper & plastic plates, paperweights, pencils, pendants, pennants, pens, pinwheels, plastic table wear, pocket protectors, potholders, ribbons, rulers, shoehorns, staple removers, sunglasses, sunvisors, swizzle sticks, tickets to fundraisers, whistles, billboards, electronic signs, palm or business cards, magnetic stickers, bookmarkers.

8-(3) **Size:** Disclaimers on non-exempt items relating to a candidate or committee which are reproduced or printed at the request of such candidate or committee shall be of such size so as to be legible.

8-(4) **Placement:** The disclaimer on printed material shall clearly state in an area apart from any text the name and street address of the person paying for the production, distribution or printing of the printed material.

8-(5) **Printed Material With More Than One Page:** Printed material requiring a disclaimer containing more than one page need only contain the disclaimer on one page of the printed material if the pages of the printed material are taped together, stapled together, or otherwise bound together, or if it clearly appears that the multiple pages of the printed material constitute one document such as by consecutive numbering pages. Inserts or appendices must contain a separate disclaimer unless physically attached to material containing a disclaimer.

8-(6) **Envelopes:** A disclaimer appearing on an envelope containing political material does not constitute a proper disclaimer on the political material. There is no requirement that a disclaimer appear on an envelope containing printed material.

8-(7) **Person Paying For the Production, Distribution or Posting of Printed Material:** If an individual acts as an agent for another in paying for the printing, production, distribution or posting of printed political materials or is to be reimbursed by another for the payment, that individual is not the person paying for the production, distribution or posting of political material. The ultimate source of the payment is the person who pays for the production, distribution or posting of printed material.