

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By Chairman Jan Brown, on February 2, 1989, at 9:00 a.m.

ROLL CALL

Members Present: All present, except:

Members Excused: Reps. Moore and Compton

Members Absent: Rep. O'Connell

Staff Present: Judy Burggraff, Secretary; Lois Menzies, Staff Researcher

Announcements/Discussion: Chairman Brown said that we would take executive action early next week on HB 428.

HEARING ON HB 412

Presentation and Opening Statement by Sponsor:

Rep. Dorothy M. Bradley, House District No. 79, Bozeman, introduced the bill. Current law provides that the Department of Administration is the custodian of all state property in the state capitol area. This bill, introduced by request of the Legislative Audit Committee, defines the state capitol area as the "geographic area within a 10-mile radius of the state capitol." The bill also provides that the Department must provide or approve all custodial, maintenance and security work done on state-owned or leased buildings in the state capitol area.

Rep. Bradley said that the bill clarifies the Department of Administration's custodial duties in the capitol area and defines the area because it was not previously defined. The statutes were not clear as sometimes this area was referred to as the "capitol complex" and sometimes as the "Helena area." Sometimes the Department was responsible for maintenance of one building but had not responsibility for the building located next to it.

Testifying Proponents and Who They Represent: None

Testifying Opponents and Who They Represent: None

Questions From Committee Members:

REP. CAMPBELL asked Rep. Bradley if the 10-mile radius

referred to road miles or air miles. She said "as the bird flies." REP. WESTLAKE asked Rep. Bradley if the custodial care was a combination of public employees and private contractors. Mike Wingard, of the Legislative Auditor's staff, responded that it is done both ways. For example, at the Workers' Compensation Building they have maintenance staff that handles maintenance work on air conditioners and such. They have also contracted security and janitorial work; it is also done that way at several other agencies.

Closing by Sponsor: None

HEARING ON 387

Presentation and Opening Statement by Sponsor:

Rep. John Mercer, House District 50, Flathead Lake, introduced the bill. He said that he had trouble finding a Senate co-sponsor on the bill. This bill proposes that a constitutional amendment be submitted to the voters to accomplish two things: (1) increase the term of the office for state representatives to four years and (2) require a representative to resign to run for the Senate. If approved by the voters, the amendment would be effective October 1, 1992, and would apply to the election of representatives whose terms begin in January, 1993.

Rep. Mercer said that historically there was a two-year term for the House in Montana primarily because there was a two-year term for the U.S. House. The purpose for that was to have one body to be very responsive to the people. He said that in those days elections were probably short and inexpensive and government was a lot less complicated; two years then was like four years now. What we have in Montana right now is a situation where someone is elected to the House and the next day they're here for the legislative session. When the session is over, their term, for all practical purposes, is ended. They had no time during their term to do good constituent services as they are already dumped back into an additional election. Campaigns are getting longer and our government is getting more complex. Rep. Mercer said that he thinks the people would get better government if representatives were not constantly running for election, which takes their attention away from doing a good job.

The Senate's objection was that they wanted to be raised to six years. They did not object to the bill on its merits.

Testifying Proponents and Who They Represent:

Jim Jensen, representing himself

Proponent Testimony:

JIM JENSEN, a former member of the House of Representatives, said there is only one problem with the bill. The Senate term should be two years.

Testifying Opponents and Who They Represent: None

Questions From Committee Members:

REP. DEBRUYCKER asked if the bill could be made retroactive. Rep. Mercer said "no." REP. SQUIRES asked Rep. Mercer if he had polled the people in his district as to their opinion of the bill. Rep. Mercer said he had just discussed this over coffee. He said it seems that the people's concerns are that some serve too long in government; not over how long their terms are but that they are there for 20 to 30 years. Most people were favorable. REP. WESTLAKE asked Rep. Mercer if this would turn over the entire Legislature every four years; and if so, had he considered the possibility, if this were to pass, that half of the Legislature would turn over every two years. Rep. Mercer said that if the bill passed, that every two years half of the Senate would change and there would always be that stability; every four years the entire House would change. That would preserve the concept of pulling the whole group out and putting a whole new group in.

Closing by Sponsor: None

HEARING ON HB 407

Presentation and Opening Statement by Sponsor:

Rep. Kelly Addy, House District 94, Billings, introduced the bill by the request of the Commissioner of Political Practices. The bill clarifies the definition of "candidate" for the purposes of the campaign practices and finance laws. In addition, the bill requires candidates for a statewide office and political committees organized to support or oppose a statewide candidate or ballot issue to file a quarterly report with the Commissioner of Political Practices beginning with the calendar quarter in which funds are received or expended during the year(s) before the election year.

Rep. Addy said that the bill is proposed to close a "loophole." He thinks that the "loophole" was a genuine oversight and was never intended to be a part of the statute. The way our reporting requirements work is when a candidate declares that he or she is a candidate for office, that is when they must start reporting contributions received and expenditures made. Rep. Addy asked what

happens when a candidate decides to run for office but makes no public pronouncement and simply begins to solicit and receive campaign contributions. What happens when well-meaning friends decide to run a candidate for office and begin to raise money, and the candidate never objects? What is the difference between that and someone who has made a pronouncement that they are going to seek that office? He said that the difference is that once you say it you have to report it. Rep. Addy said that this is the Pearl Harbor loophole as they can amass a huge war chest; they can print all the literature in the world; they can make all of the advertising buys they want and at the last minute say they're a candidate.

Rep. Addy said that when campaigns are costing the amount of money they are now, we should have proper filing requirements so the public knows when somebody is in fact a candidate.

Testifying Proponents and Who They Represent:

Mike Cooney, Secretary of State

Dolores Colburg, Commissioner of Political Practices

C. B. Pearson, Executive Director, Common Cause

Don Judge, Montana State AFL-CIO

Eric Feaver, Montana Education Association

Proponent Testimony:

MIKE COONEY said that he supports HB 407. This bill would improve the campaign financing disclosure laws and make the process more open. It closes the loopholes that enable candidates from making financial disclosure until just prior to the primary election. In an election cycle, candidates for public office are not required to file a campaign financial statement until March before the primary. Several candidates begin to run for public office months or years prior to that date. Under current law, they are able to collect many campaign contributions without disclosing the names of contributors or the amount of the contribution until many months later. "A major loophole exists in the campaign practices law which permits this to happen. Montanans deserve to know how campaigns are being supported. This bill is necessary for good government."

DOLORES COLBURG said she agreed with Rep. Addy's and Mike Cooney's testimony and said she would like to add the following: (1) We have also included a further definition of a candidate as being a person "holding office, but who is subject to a recall election." This has been added so those unfortunate souls may mount a campaign against the recall

effort. Under current law, they would have no mechanism for doing that. (2) In the last election cycle, 16 candidates would have been affected by this bill. The earliest date that a candidate started raising money was in June, 1985; there were two others that began on January 1, 1987, a full year before the 1988 elections. Another one began in March; several more in mid-1987. There were a number of candidates who were organized, raising and expending money and not subject to any reporting requirements until the 1988 election-year schedule was triggered. Ms. Colburg said that this bill does not impose on them any reporting they had not been doing already; this bill just requires more timely reporting.

C. B. PEARSON presented written testimony (Exhibit 1).

DON JUDGE said that the Montana State AFL-CIO reports accurately as much information on political campaigns as any organization in the state. He said that until this last year they had elected not to give "in-kind contributions" and "this year we varied from that a little. We gave an airplane ride to two state-wide candidates, and we reported that to the campaign commissioners' office and included that in the limit that was applicable to the limits of the particular candidates." Mr. Judge said we think this is one of the biggest loopholes in the law. His group supports the legislation, but they would like to sit down with Commissioner Colburg and other proponents and work out their concerns about how the bill would deal with gathering together with other people (i.e. If they were to gather to discuss if they wanted to work on an initiative).

ERIC FEAVER said the Montana Education Association (MEA) supports HB 407. He said that MEA does have a political action committee sometimes referred to as MEA PAC, which is made up entirely of the voluntary contributions of the members. MEA PAC contributes to endorsed candidates and gives only money, no "in-kind contributions" of any sort.

Testifying Opponents and Who They Represent:

Roger Tippy, Executive Secretary, Beer and Wine Wholesalers' Association

Opponent Testimony:

ROGER TIPPY presented written testimony (Exhibit 2).

Questions From Committee Members:

REP. PHILLIPS asked Eric Feaver if some of the associations wouldn't have to be reporting all of the time as they print newsletters and reports on how candidates vote. Mr. Feaver said he was not concerned about reporting all of the time. He said that the legislative process is constant, and they

do inform their members all the time of what is going on.

REP. WESTLAKE asked Dolores Colburg if the bill will increase the demand on the Political Practices Office. If so, will this make a bigger work load? Ms. Colburg said it will but that the reports will come in prior to the election year when things are really hectic in the office. She said she thought it could be managed easily with the current staff and resources.

REP. SQUIRES asked Ms. Colburg if she could answer Rep. Phillips' question. Ms. Colburg says that there is a section of law that clarifies the reference that Rep. Phillips was making. It is in section 13-1-101(7), which provides that an expenditure does not include "the cost of any communication by the membership organization or corporation to its members, stockholders or employees so long as that organization is not a primary political committee." Therefore, the MEA, the Chamber of Commerce, the AFL-CIO, Montana Taxpayers Association, by communicating with their membership reporting about the merits of various legislative proposals, and so forth, is not by definition a political contribution or expenditure.

CHAIRMAN BROWN asked Rep. Addy if he was intending to address the concern raised by Roger Tippy. Rep. Addy said he is sensitive to the issue raised by Mr. Tippy. He said that aspect of the bill was not intended to be a problem. He said he would work with Mr. Judge and Mr. Tippy to try and resolve the issues.

HEARING ON HB 428

Presentation and Opening Statement by Sponsor:

Rep. Tom Hannah, House District 86, Yellowstone County, Billings, introduced the bill. This bill abolishes the Office of the Commissioner of Campaign Practices. Most of the Commissioner's duties concerning lobbyist disclosure and campaign practices and finances are transferred to the Secretary of State. In some case, such as when there would be a conflict of interest for the Secretary of State to carry out provisions concerning campaign practices or finances, the Attorney General is required to execute the laws. The bill also changes dates for filing campaign finance reports. In addition, it repeals the limitation on aggregate contributions by an individual or independent committee to a candidate and the limitation on the amount of contributions that a Senator or Representative may receive from all political committees contributing to his or her campaign.

Rep. Hannah said "my intent is not to be political on this thing," but it is "an effort to bring campaign financing

into a full-disclosure situation." He said, "You have a process that's only accessible to the rich. I think we're underestimating the ability of people in Montana to understand what's going on with this process."

Testifying Proponents and Who They Represent:

Rep. Norm Wallin, House District 80, Bozeman

Roger Tippy, Montana Beer and Wine Wholesalers Association

Proponent Testimony:

REP. WALLIN related to the Committee an incident that occurred five days before the election last fall, in which his opponent circulated information detrimental to his campaign. He said that Political Practices Commissioner Dolores Colburg, appointed by former Democratic Governor Ted Schwinden, has shown favoritism toward Democrats in her handling of complaints about campaign tactics. He said, "You can't have impartial people appointed politically. She was appointed by a Democrat and in almost every case this year, Republicans did not get due consideration." "If Republicans were running the office, I think they'd do the same," Wallin said.

ROGER TIPPY, a Helena lawyer active in opposing a mandatory-deposit measure for beverage containers last year, also encouraged approval of Hannah's bill. He said the political practices office is too small to police campaigns effectively. He said there is a need for more due process. With the present investigation process, there is no opportunity to confront your accusers, no opportunity to cross examine them, or to be subjected to their cross examination. He feels there should be a more formal hearing process to resolve complaints.

Testifying Opponents and Who They Represent:

Rep. Budd Gould, House District 61

Mike Cooney, Secretary of State

Steve Brown, private citizen

Jim Jensen, Executive Director, Montana Environmental Information Center

Don Judge, Montana State AFL-CIO

Don Reed, Montana Alliance for Progressive Policy

C. B. Pearson, Common Cause

Gail M. Stoltz, Executive Director, Montana Democratic Party

Opponent Testimony:

REP. GOULD, House District 61, Missoula, said he "thinks it is important that public perception be maintained. We should have a separate agency to deal with political practices issues. Some of the criticisms that have been voiced are valid," he said. He said that if the Committee has ideas on how to make the office work more effectively, he certainly will support them. Rep. Gould disagreed with transferring to the Secretary of State's Office most functions now performed by the Commissioner of Political Practices.

MIKE COONEY presented written testimony to the Committee (Exhibit 3).

STEVE BROWN, an attorney and lobbyist but appearing as a private citizen, discussed the history of the development of the campaign practices and finance laws, which were developed in 1975 in Montana. Mr. Brown stated that Watergate and the 1972 Montana gubernatorial campaign were the primary reasons that we had major election reform legislation enacted. He said that the office overseeing campaign practices and finance laws must be nonpartisan. We should retain the Office of the Commissioner of Political Practices; all expenditures and contributions should be reported.

JIM JENSEN said that the bill is not a proper approach. He related to the Committee a situation similar to Rep. Wallin's campaign where his opponent's representatives went door-to-door the evening before the election with untruthful statements making it difficult for him to respond. He said that ultimately the people ought to be able to make the decision.

DON JUDGE said that the Montana State AFL-CIO opposes the bill.

DON REED said that moving the authority to the Secretary of State's Office would make extra work for that office that could filter to the "bottom of the desk." He said this work is too important for that. The sole mission of the Commissioner of Political Practices is to enforce these laws. He is particularly concerned with the blind contribution law, which prohibits either the giving or receiving of money through a second or third person.

C. B. PEARSON said that Common Cause is opposed to the bill. The bill repeals the anti-laundersing laws and a provision limiting contributions from political action committees in legislative campaigns. Mr. Pearson said that Montanans do not want special-interest groups to dominate our elections. The current law is effective and is keeping special interest groups' money down to about 15 percent of all campaign contributions raised.

Mr. Pearson said that the Senior Citizens' Association, Inc., who wanted to speak in opposition to the bill but couldn't make it today due to weather conditions, asked him to let the Committee know that the association opposes the bill.

GAIL STOLTZ said that the Democratic party has historically supported an independent commissioner of campaign practices, and they continue to do that. Ms. Stoltz said that there were candidates on both sides of the aisle that claimed to have problems. She said that Dolores Colburg's rulings have dealt well with both parties and that Mrs. Colburg has been there even on weekends to deal with "the crunch in the last 10 to 20 days of the campaign." Ms. Stoltz said that she has not always agreed with the rulings on the Democratic candidates, but they were timely.

MARGARET MORGAN, from the Department of Justice, appeared in opposition to the bill. She stated that the Department has technical problems with the bill and would submit those comments to the Committee either tomorrow or the next day.

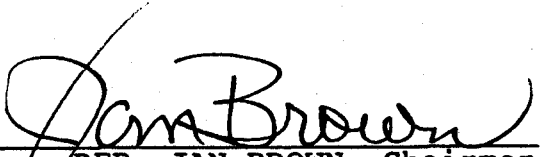
DOLORES COLBURG presented written testimony to the Committee (Exhibit 4).

Questions From Committee Members: None

Closing by Sponsor: Rep. Hannah said that he agrees with what Steve Brown and others have said. He said that his personal experience with the Commissioner has been nothing but positive. She is very hard working, very timely and responsible to his requests for information. He said that he hopes that nothing that he has said would indicate that this is in any way a personal attack on the job that she is doing. He is not interested in repealing the anti-laundering provisions. "When he says full disclosure, he means full disclosure," Rep. Hannah stated. "I am not going back to the days of the Old West when anybody can hide money."

ADJOURNMENT

Adjournment At: 11:00


REP. JAN BROWN, Chairman

JB/jb

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DAILY ROLL CALL

STATE ADMINISTRATION COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date February 2, 1989

NAME	PRESENT	ABSENT	EXCUSED
Rep. Jan Brown, Chairman	✓		
Rep. Helen O'Connell, Vice Ch.		✓	
Rep. Vicki Cocchiarella	✓		
Rep. Ervin Davis	✓		
Rep. Floyd "Bob" Gervais	✓		
Rep. Janet Moore			✓
Rep. Angela Russell	✓		
Rep. Carolyn Squires	✓		
Rep. Vernon Westlake	✓		
Rep. Timothy Whalen	✓		
Rep. Bud Campbell	✓		
Rep. Duane Compton			✓
Rep. Roger DeBruycker	✓		
Rep. Harriet Hayne	✓		
Rep. Richard Nelson	✓		
Rep. John Phillips	✓		
Rep. Rande Roth	✓		
Rep. Wilbur Spring, Jr.	✓		



COMMON CAUSE/MONTANA

P.O. Box 623
Helena, Montana 59624

(406) 442-9251

EXHIBIT 1
DATE 2-02-89
HB 407
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TESTIMONY OF COMMON CAUSE IN SUPPORT OF

HOUSE BILL 407

2 FEBRUARY 1989

Madame Chairwoman and members of the House State Administration Committee, for the record, my name is C.B. Pearson, Executive Director of Common Cause in Montana. I am here today on behalf the members of Common Cause.

Common Cause would like to go on record in support of House Bill 407.

In our opinion HB 407 is a needed reform. The nature of campaigns for statewide office have changed over the last few years. Campaigns have gotten more complex and are beginning much earlier.

In our opinion the current laws are inadequate.

We need to have a law that says, "when you look like a candidate and when you act like a candidate, then you are a candidate." The current law is not clear on when you are a candidate.

We also need to have a law that requires earlier and more frequent reporting by candidates for statewide office.

During early 1988, Common Cause conducted a survey of the six Democratic and three Republican candidates for Governor. The questionnaire asked the candidates 15 questions. One of those questions concerned increasing the reporting requirements for statewide political campaigns. Eight of the candidates stated they would support efforts to increase the reporting requirements for the increasingly lengthy statewide political campaigns.

EXHIBIT 1
DATE 2-02-89
HB 407

2863

Candidate Mike Halligan stated that "monthly reporting should be positively built into the reporting process from the date a candidate announces for statewide office." For you information, I have enclosed a copy of the survey at the end of this testimony.

It would be Common Cause's position that the need is present for such reforms and that there is support for such reforms.

10. The 1988 campaign for governor is already in full swing with the election almost a year away. Some candidates have been declared for almost a year. Under the current law, candidates are not required to file any campaign reports until at least March of the election year. Would you support efforts to require campaign reporting to begin at an earlier date, to keep pace with (and keep the public better informed of) increasingly lengthy campaigns for office.

Greely

Yes

Halligan

Yes: monthly reporting should be positively built into the reporting process from the date the candidate announces for statewide office.

Judge

Yes

Morrison

Yes

Neuman

Yes

Thornton

Yes: I would even go as far to say that "monetary pledges" are secured and/or sought after continuously from election to election! Financial revelations accountability is essential!

Stephens

Uncommitted: I am inclined to support a reasonable approach to informing the public of the financing of early campaigns.

Waltermire

Yes

Winslow

Yes

HB 407, as introduced, would require a primary political committee to file reports of contributions or expenditures to support or oppose a ballot issue, during the year or years before the election year in which the issue is "expected to" be on the ballot. In other words, if a vote on a sales tax is expected to be on the 1990 ballot and a group starts raising money for or against it this year, they would have to report every quarter this year. That's what HB 407 seems to say. But the bill has deeper implications.

A ruling from Commissioner Colburg last September 7 held that organizations who sent paid staff people to meetings to discuss a potential initiative, or who paid for economic studies of matters which might come up during a possible initiative campaign, were making reportable expenditures. The initiative was the bottle bill, which became a ballot issue on May 13 when the Secretary of State approved the petition form. The Commissioner ruled that meetings of various association representatives from the beverage industries held in February and March, and a recycling survey contracted for by one of the associations in April, were in-kind "expenditures" of services under 13-1-101(7) and that the participants should have registered as a committee within 5 days after the May 13 petition approval.

If people who meet to discuss a possible or potential initiative in 1990 are now to report their in-kind expenditures this summer or fall, they evidently must formally organize a political committee and file a statement of organization (Form C-2) months before the initiative petition is even written up and filed for approval as to form.

An association such as the Montana Chamber of Commerce or the AFL-CIO does not have to set up a separate committee to discuss a potential initiative. However, if they do not, they run the risk of having their own books inspected by their opposition. Sec. 13-37-209 grants this right of inspection to the treasurer of the opposition committee; the books of the Committee Against Forced Deposits were inspected about once a week by the treasurer of one of the pro-bottle bill committees.

Once you do file a primary committee to report your in-kind expenditures on something you expect to be an initiative next year, you're all right until your opposition challenges the name you choose to call your committee. Then the Commissioner will review your sources of support or input and decide how many of them, and perhaps in what order, need to be mentioned in your committee's name.

SECRETARY OF STATE
STATE OF MONTANA

EXHIBIT 3
DATE 2-02-89
HB 428 105

Mike Cooney
Secretary of State



Montana State Capitol
Helena, Montana 59620

Testimony in opposition to HB 428
Presented by Secretary of State Mike Cooney
Before the House State Administration Committee
February 2, 1989

Madam Chairman members of the House State Administration Committee, for the record I am Secretary of State Mike Cooney. I am here today to testify against HB 428. I have spoken with Representative Hannah about this legislation and I believe that he is sincere in his efforts to improve campaign practice laws. However, I disagree with him about this legislation and will outline for you the reasons why.

The first and foremost reason for my opposition to this legislation is that it would take the enforcement functions of the enforcement of campaign practice regulations from a nonpartisan independent office and place the duties in a partisan elected office. Specifically it would take the enforcement of campaign finance reporting and lobbyist disclosure from the commissioner of political practices and place those duties in the Secretary of States office. I am strongly opposed to this move. These duties do not belong in a partisan office. The decisions made to enforce those

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laws must be beyond the suspicion of being politically motivated.

Keep in mind that if I did receive those duties I would act as fair and impartial as possible. But I do not think this bill is prudent and I certainly do not ask for these duties in the Secretary of State's office.

HB 428 not only causes the mischief I have identified but also it appears to gut the campaign practices laws and would return Montana to the pre-Watergate era.

My specific concerns are as follows:

1. This legislation would remove the limits placed on the amounts a candidate could receive from an individual or political action committee. This move would be devastating. You would see an incredible increase in the amount spent on campaigns if there were no limit placed on the amount of individual contributions. A "New York Times" article published December 27 1988, indicated the trend is toward more contributions from political action committees campaigns. This is particularly true in states where no limits are place on campaign contributions. No Montanan

has told me that they want wide open spending on campaigns. If anything they want more restrictions and less campaigning.

2. Unlimited contributions would permit political action committees to have greater influence on the electoral process. Political action committees have greater resources to draw from and thereby can significantly increase their contributions if no limit existed. Obviously the more money a PAC can contribute to an election the more it can influence the outcome of the election.

3. This bill would repeal the statute which requires people to make contribution in their own name. Not only could a person or PAC give thousands of dollars to a campaign but also they could hide the contribution by having others make the contribution for them. Although part of the short title of this bill is "full disclosure act", the content of the legislation has the opposite effect.

4. This bill would create a reporting nightmare. The provision to require the reporting of all campaign

contributions regardless of size, would create campaign reports with hundreds and perhaps thousands of names on them. At stake here are the individual contributions of \$75.00 or less in a statewide race. These are the contributions of working Montanans interested in participating in our political process. These contributions are not, in my opinion, a danger to the democratic process that needs to be further regulated. To mandate reporting of these small contributions would complicate the reporting process without any marked impact on improper campaign practices.

Montana has a colorful political history. We all know of the incredible elections that were bought and paid for by the copper kings. Although it is interesting to read these stories in the history books, we should not prepare the stage for history to repeat itself. Now is not the time to return to the dark ages of campaign practices. HB 428 would return Montana to the days before Watergate. We do not want the days of Tamanny Hall revisited. For these reasons I urge you to recommend that HB 428 do not pass.

Madam Chairman and members of the committee, I would like to

EXHIBIT 3
DATE 2-02-89
RE 428

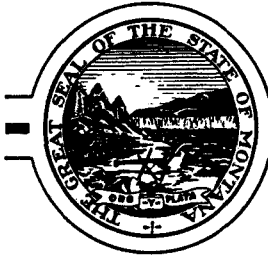
o/s

thank you for allowing me to testify before you today on
this important issue, and I will be available for questions.

Thank You.

COMMISSIONER OF
POLITICAL PRACTICES

EXHIBIT 4
DATE 2-02-89
HB 428



STATE OF MONTANA

DOLORES COLBURG
COMMISSIONER
TELEPHONE (406) 444-2942

CAPITOL STATION
1205 EAST EIGHTH AVENUE
HELENA, MONTANA 59620-2401

Testimony on House Bill 428

Madam Chairwoman and members of the House State Administration Committee.

For the record, I am Dolores Colburg, Commissioner of Political Practices. I appear today in opposition to HB 428.

This bill is a giant step in the wrong direction. While trends nationally and in other states are toward strengthening campaign finance laws and setting stricter limitations on contributions, HB 428--if enacted--would return us to a pre-Watergate state of affairs. The bill removes all contribution limitations--both from individuals and political committees. Further, HB 428 would repeal the statute that prohibits the laundering of money; thus, fat cats not only could bankroll campaigns, but they would be permitted to keep their identities a secret.

Currently, our campaign finance and practice laws are among the best in the nation. Indeed, Montana is the only state to have a limitation on political action committee (PAC) contributions which, as you know, are applicable to legislative races. We are the only state with a "truth in labeling" law for political committees.

One of the strengths, too, of Montana's campaign finance and practice laws is the independent character of the office of the Commissioner of Political Practices. Nominated by the bi-partisan leadership of the legislature and appointed by the governor, the commissioner is appointed to a single 6 year term and is prohibited from running for elective office for 5 years after leaving the office. Thus, the commissioner may act without fear of political reprisal. But HB 428 would abolish the office of Commissioner of Political Practices and its independent authority and transfer most of the agency's functions to the Secretary of State. Montanans have expressed their dissatisfaction with similar moves in the past to abolish the office and to weaken our campaign laws.

There is no fiscal note yet on the bill; but, in talking with the Secretary of State, I judge that any dollar savings would be minimal, if any. However, the cost to the integrity of Montana's campaign finance and practice operations could be enormous.

I urge the committee to see this bill for what it is--a step backward into darkness--and to vote "do not pass" on HB 428. Thank you.

VISITORS' REGISTER

STATE ADMINISTRATION COMMITTEE

BILL NO. HB 407

DATE February 2, 1989

SPONSOR REP. ADDY

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
C. B. PEARSON	Common Cause	✓	
Roger Tipon	MBWA		✓
MIKE COONEY	Secretary of State	✓	
DON JUDGE	MT STATE AFL-CIO	Amend ✓	
Dolores Colburn	Commissioner of Political Practices	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

STATE ADMINISTRATION

COMMITTEE

BILL NO. HB 428

DATE February 2, 1989

SPONSOR REP. HANNAH

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
C.B. PEARSON	COMMON CAUSE		✓
Roger Tippy	MBWA	—	
Don Reed	MAPP		✓
Russ Brown	STATE Democratic Party		✓
Mike Cooney	Secretary of State		✓
Kim Wilson	Common Cause		✓
Don Judge	MT STATE AFL-CIO		✓
Jim Jensen	METC		✓
Eri Reese	MEA		✗
Margaret Morgan	Dept of Justice		
Steve Brown	Self Helena		X
Brenda Nordlund	Self Helena		X
Rep. John Wallin	Self	X	
Rep. Budd Gould	Self		X
REDACTED	REDACTED		REDACTED
Gail M. Stoltz	MT. Democratic Party		✓
Dolores Colburg	Commissioner of Political Practices		✓

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.