

1 *House* BILL NO. *626*  
 2 INTRODUCED BY *Halverson, Thomas Sanduch*  
 3 *TEAGUE Johnson Gilligan Palmer Loy*  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING AN ELECTION  
 5 COMMISSION TO SET LIMITS ON POLITICAL CAMPAIGN SPENDING AND  
 6 DISBURSE PUBLIC FUNDS FOR THE GENERAL ELECTION; AND IMPOSING  
 7 SANCTIONS FOR CAMPAIGN ABUSES."

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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Election commission established. (1) On or  
11 before January 31 of every year during which there is a  
12 statewide primary or statewide general election, a seven  
13 member election commission shall be appointed as provided in  
14 this act. The commission shall be established to supervise  
15 one (1) statewide primary and one (1) statewide general  
16 election. Commission members shall serve until their  
17 successors are appointed and qualified.

18 (2) The commission shall be composed of seven (7)  
19 members. Two (2) members shall be selected from the general  
20 public as provided by section 2 of this act. Each of the  
21 following shall appoint one (1) member:

- 22 (a) the president of the senate;
- 23 (b) the speaker of the house;
- 24 (c) the Montana association of counties;
- 25 (d) the county clerk and recorders association; and

INTRODUCED BILL

1 (e) the supreme court.

2 Section 2. Selection of the public members. (1) The  
3 secretary of state shall provide for the selection of the  
4 public members of the commission as provided in this  
5 section.

6 (2) Fifty-six numbered slips shall be prepared with  
7 each number corresponding to a county in the state. The  
8 numbered slips shall be placed in opaque capsules as alike  
9 in every respect as possible so there are no distinguishing  
10 characteristics.

11 (3) The capsules shall be placed in a container and  
12 thoroughly mixed. Two capsules shall then be drawn at  
13 random. The counties corresponding to the numbers drawn  
14 shall be the counties of residence of the two (2) public  
15 members.

16 (4) The secretary of state shall notify the district  
17 court for the county of residence of each public member.  
18 The judge of the district court shall draw the number of one  
19 person from jury box No. 1, as described in section 93-1404.  
20 If that person is qualified to serve as a juror he shall be  
21 certified to the secretary of state and appointed as a  
22 public member of the commission. If he is not qualified to  
23 serve as a juror the process shall be repeated until a  
24 person who is qualified has been selected.

25 Section 3. Organization of commission. (1) On the

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1 first Monday in February in each even numbered year, the  
 2 members of the election commission shall assemble in Helena,  
 3 in a location selected and designated by the secretary of  
 4 state. The commission shall elect a chairman from among the  
 5 members. The secretary of state shall propose bylaws for  
 6 the operating procedures of the commission. The commission  
 7 may adopt a set of bylaws. The legislature shall provide  
 8 funds in the budget of the secretary of state for a staff  
 9 and office space for the commission.

10 (2) The election commission shall meet from time to  
 11 time, at the call of the chairman, to carry out its duties.  
 12 For each meeting attended, a member is entitled to  
 13 compensation of forty dollars (\$40) per eight (8) hour day  
 14 plus the same mileage and per diem expenses as may be  
 15 provided by law for members of the legislature.

16 Section 4. Powers and duties. (1) The commission  
 17 shall determine how much money may be spent for each  
 18 election for statewide offices (excluding federal offices  
 19 elected statewide), for each election for the district  
 20 offices of public service commissioner, district judge,  
 21 state senator, and state representative. The total  
 22 allowable expenditures may not exceed the amount  
 23 appropriated by the legislature as follows:

24 (a) By the close of each legislative session the  
 25 legislature shall appropriate money from the general fund

1 for the financing of candidates in the general election.  
 2 This appropriation shall be divided into two (2) parts, one  
 3 (1) part to provide funds for those seeking statewide  
 4 offices, and one (1) part for those seeking seats in the  
 5 legislature.

6 (b) The commission shall determine how much may be  
 7 spent for each contested election with the total amount not  
 8 to exceed that appropriated by the legislature, and the  
 9 total amount may be less than that appropriated by the  
 10 legislature.

11 (2) In the general election the commission shall  
 12 support to the full amount of the limit determined by the  
 13 commission to the contender from each of the two (2) major  
 14 parties, and any independent or third party candidate who  
 15 submits certificate of nomination with twenty percent (20%)  
 16 or more of the votes cast for that office in the last  
 17 general election.

18 (3) The commission may set the opening day allowed for  
 19 campaigning for each office in the general election.

20 (4) The commission may require candidates to answer  
 21 allegations against them, to investigate allegations with  
 22 legal assistance provided by the attorney general, and to  
 23 issue indictments and presentments with the powers of a  
 24 grand jury.

25 (5) The commission shall set the maximum limits on

1 campaign spending for any candidate listed in subsection (1)  
2 of this section seeking office in the primary election.

3 (6) The commission shall set the limits for campaign  
4 financing for candidates for county, city, and municipal  
5 elections and shall take into consideration without  
6 limitation the number of electors in that area, the problems  
7 facing contestants as supported by statements from local  
8 people.

9 (7) County, city and municipal option. The counties,  
10 cities, and municipalities have the option to levy taxes to  
11 publicly finance election campaigns within their  
12 jurisdiction by submitting the issue to the voters.

13 (8) The commission shall set the opening day and  
14 establish the limit on the time for which individuals may  
15 campaign for a primary election.

16 (9) Candidates in a primary election must file with  
17 the commission a complete accounting of their income and  
18 expenditures for their primary campaign within twenty (20)  
19 days after the primary election. Within thirty (30) days  
20 after the election, the commission shall publish all records  
21 of financing of campaign candidates in local newspapers  
22 within the areas. The commission may entertain allegations  
23 of misfeasance resulting from the primary election only for  
24 the forty (40) day period following the primary election.  
25 Information to be filed will be according to rule of the

1 commission.

2 Section 5. Rules. Rules adopted by the commission  
3 shall remain in effect unless superceded by new rules  
4 regulating general elections adopted by the commission  
5 before July 1 of the election year or by new rules  
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8 Section 6. Limits on political party spending in  
9 general elections. In addition to the public financing of  
10 the general elections, the political parties may expend  
11 money to promote the party ticket for state officers or the  
12 party ticket for senate and house members in each state  
13 senatorial district. The commission shall establish the  
14 amount the parties may expend in these two (2) categories.

15 Section 7. Sanctions. When the commission finds that a  
16 candidate has violated one of its rules, after opportunity  
17 for hearing under the contested case provisions of the  
18 Montana Administrative Procedure Act, the commission may  
19 deprive the candidate of his election certificate, or bar  
20 him from running in subsequent elections, or both.

-End-

HB 626

## STATE OF MONTANA

REQUEST NO. 250-75

## FISCAL NOTE

Form BD-15

In compliance with a written request received February 25, 19 75, there is hereby submitted a Fiscal Note for House Bill 626 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

## DESCRIPTION OF PROPOSED LEGISLATION:

An act to create an election commission to set limits on political campaign spending and disburse money appropriated from the General Fund for financing of candidates in the general election; to impose sanctions for campaign abuses.

## ASSUMPTIONS:

1. Minimum staff required for the election commission will be two FTE positions and part-time help to audit reports.
2. Office space for the commission will need to be rented as no space is available in the Secretary of State's office.
3. The commission will meet once a month in 1976 and will have 2 meetings in 1977. Per diem and mileage costs are based on compensation allowed legislators under current law.
4. Cost of publication of candidate finance reports are based on two candidates from every party for each office.

## FISCAL IMPACT:

## 1. Cost of Commission

	FY 76	FY 77
Increase in expenditures by category:		
Personal Services	\$ 16,325	\$ 32,700
Operating expenses including publishing in FY 77	2,500	156,200
Capital Outlay	1,000	0
Increase in expenditures	<u>\$ 19,825</u>	<u>\$188,900</u>

2. House Bill 626 requires the appropriation of General Fund money to provide funds for those seeking statewide offices and for those seeking seats in the legislature. The amount spent cannot exceed the amount appropriated. It is not possible to predict the amount which would be appropriated for this purpose. Campaign spending for the 1972 general election as reported to the Secretary of State was \$1.69 million.

## LOCAL IMPACT:

Counties, cities, and municipalities have the option to levy taxes to publicly finance election campaigns within their jurisdiction by submitting the issue to the voters.

## CONCLUSION:

Enactment of House bill 626 would result in increased General Fund expenditures of \$208,725 during the 1975-77 biennium for the election commission plus an undetermined amount appropriated for campaign financing.

  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: February 28, 1975

Approved by Committee  
on Judiciary

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3 GILLIGAN, PALMER, LORY  
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19 (2) The commission shall be composed of seven (7)  
20 members. Two (2) members shall be selected from the general  
21 public as provided by section 2 of this act.

22 (A) Each of the following shall appoint one (1)  
23 member:

- 24 ~~(a)~~ (I) the president of the senate;
- 25 ~~(b)~~ (II) the speaker of the house;

1 ~~(c) -- the Montana association of counties;~~  
2 ~~(d) -- the county clerk and recorders association; and~~  
3 ~~(e) -- the supreme court.~~

- 4 (B) THE GOVERNOR SHALL APPOINT:
  - 5 (I) ONE (1) MEMBER FROM A LIST OF THREE (3) SUBMITTED
  - 6 BY THE MONTANA ASSOCIATION OF COUNTIES;
  - 7 (II) ONE (1) MEMBER FROM A LIST OF THREE (3) SUBMITTED
  - 8 BY THE COUNTY CLERK AND RECORDER'S ASSOCIATION.

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