

1 H BILL NO. 563
 2 INTRODUCED BY Vincent

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE THAT PERSONS
 5 HOLDING OR SEEKING PUBLIC OFFICE, WITH CERTAIN EXCEPTIONS,
 6 FILE A FINANCIAL DISCLOSURE STATEMENT WITH THE COMMISSIONER
 7 OF CAMPAIGN FINANCES AND PRACTICES."

8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Definitions. As used in this act, unless
 11 the context indicates otherwise, the following definitions
 12 apply:

13 (1) "Candidate" means any individual who seeks
 14 election to public office. An individual is considered to
 15 be seeking election when he:

16 (a) receives contributions or makes expenditures or
 17 reserves space or facilities with the intent to promote his
 18 candidacy for office; or

19 (b) announces publicly or files for office.

20 (2) "Commissioner" means the commissioner of campaign
 21 finances and practices provided for by 23-4785.

22 (3) "Compensation" means payment in any form for real
 23 or personal property or services of any kind. Compensation
 24 does not mean per diem allowances or other payments made by
 25 a governmental entity to reimburse a public official or

1 employee for expenses incurred while engaged in official
 2 government business. As used in [subsection (8) of section
 3 3], compensation does not include payment for water or other
 4 utility services.

5 (4) "Business venture" means any corporation,
 6 association, partnership, joint venture, sole
 7 proprietorship, or other entity organized to engage in a
 8 commercial or business activity.

9 (5) "Person" means any individual, corporation,
 10 association, partnership, or state, county, or municipal
 11 government or political subdivision thereof.

12 (6) "Elected official" means a person elected at a
 13 general or special election to a public office and any
 14 person appointed to fill a vacancy in a public office.

15 (7) "Immediate family" means a person's spouse,
 16 children, parents, brothers, and sisters.

17 (8) "Public office" means any office filled, in the
 18 absence of a vacancy, by election, other than president and
 19 vice-president of the United States and precinct
 20 committeeman.

21 (9) "Statement" means the financial disclosure
 22 statement required by [section 2 of this act].

23 Section 2. Financial disclosure statement. (1) Each
 24 elected official and each candidate shall file a statement
 25 with the commissioner. The commissioner shall prescribe

INTRODUCED BILL

1 appropriate forms for the statement.

2 (2) Each elected official shall file the statement
3 between March 1 and March 31 of each year he holds office.

4 (3) Each candidate or individual appointed to fill a
5 vacancy shall file the statement within 30 days of becoming
6 a candidate or being appointed to office.

7 (4) The statement shall be notarized.

8 (5) No person may be required to file more than once
9 during any calendar year.

10 Section 3. Contents of statement. The statement shall
11 contain for the reporting individual and his immediate
12 family for the 12-month period prior to the date of the
13 statement the following information:

14 (1) occupation, with the name and business address of
15 the employer;

16 (2) each bank or savings account or insurance policy
17 in which is or was owned a direct financial interest
18 exceeding \$5,000;

19 (3) each other item of intangible personal property in
20 which is or was owned a direct financial interest exceeding
21 \$500, including the nature of the interest and its value
22 over the 12-month reporting period;

23 (4) the name and address of each creditor to whom \$500
24 or more is or was owed, other than a debt arising out of a
25 retail installment transaction as defined in 74-602,

1 including a history of the debt and the nature of any
2 security given for the debt;

3 (5) each public or private office, directorship, or
4 position as trustee held during the period;

5 (6) the names of all persons for whom any legislation,
6 rule, rate, or standard was prepared, other than in the
7 course of employment by a governmental agency, in return for
8 current or deferred compensation, including a description of
9 the work and the amount of the compensation;

10 (7) the name of each person from whom compensation
11 exceeding \$500 was received and the nature of the activity
12 which gave rise to the compensation;

13 (8) (a) the name and nature of any office or
14 commercial interest held in any business venture or union;
15 and

16 (b) the name and address of any person from whom such
17 a business venture has received compensation exceeding
18 \$1,000, including the amount of the compensation and the
19 nature of the activity which gave rise to the compensation;
20 but

21 (c) if a business venture listed under subsection
22 (8) (a) is a bank or commercial lending institution, the
23 requirements of subsection (8) (b) for that venture may be
24 satisfied by reporting the name, address, and occupation of
25 each director and officer of the bank or institution and a

1 history of each account of any governmental entity in which
2 office is held or sought;

3 (9) a list, with descriptions to be prescribed by the
4 commissioner, of all real property held within the state
5 during all or part of the 12-month period with an assessed
6 valuation in excess of \$2,500, and if any of this property
7 has been bought or sold during the period, a description of
8 the transaction;

9 (10) a list, with description to be prescribed by the
10 commissioner, of all real property held by any business
11 venture for all or part of the 12-month period in which
12 venture a commercial interest is held;

13 (11) such other information as the commissioner
14 considers necessary to provide full financial disclosure.

15 Section 4. Commissioner to adopt rules. The
16 commissioner shall adopt rules to administer this act.

17 Section 5. Severability. If a part of this act is
18 invalid, all valid parts that are severable from the invalid
19 part remain in effect. If a part of this act is invalid in
20 one or more of its applications, the part remains in effect
21 in all valid applications that are severable from the
22 invalid applications.

23 Section 6. Effective date. This act becomes effective
24 March 1, 1978.

-End-

STATE OF MONTANA

REQUEST NO. 285-77

FISCAL NOTE

Form BD-15

In compliance with a written request received January 28, 19 77, there is hereby submitted a Fiscal Note for House Bill 563 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:

Requires persons holding or seeking public office, with certain exceptions, to file a financial disclosure statement with the Commissioner of Campaign Finances and Practices.

ASSUMPTIONS:

1. Proposed act does not provide for investigation, audit, verification or enforcement.
2. Commissioner will have only administrative activities.
3. Fiscal impact is calculated on the assumption that Commissioner's office will have 7 FTE in next biennium.
4. All candidates and office holders will file one (1) statement each year.

FISCAL IMPACT:

	<u>FY 78</u>	<u>FY 79</u>	<u>TOTAL</u>
Personal services	\$3,998	\$4,091	\$8,089
Operating expenses	<u>3,227</u>	<u>2,973</u>	<u>6,200</u>
Total	<u>\$7,225</u>	<u>\$7,064</u>	<u>\$14,289</u>

Richard L. Drayton
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-3-77

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