

CHAPTER NO. 579.

HOUSE BILL NO. 853

INTRODUCED BY AZZARA, COONEY, BARDANOUVE

IN THE HOUSE

February 17, 1979	Introduced and referred to Committee on State Administration.
February 21, 1979	Committee recommend bill do pass. Report adopted.
February 23, 1979	Second reading, do pass as amended. Correctly engrossed. Third reading, passed. Transmitted to second house.

IN THE SENATE

February 23, 1979	Introduced and referred to Committee on State Administration.
March 16, 1979	Committee recommend bill be concurred in as amended. Report adopted.
March 19, 1979	Motion pass consideration.
March 20, 1979	Second reading, concurred in.
March 23, 1979	Third reading, not concurred in as amended. On motion, Senate reconsider its action taken on third reading this Legislative Day. Motion adopted.
March 24, 1979	Third reading, concurred in as amended.

IN THE HOUSE

March 26, 1979

Returned from second house.
Concurred in as amended.

On motion, consideration
passed for the day.

March 30, 1979

Second reading, amendments
adopted.

March 31, 1979

Third reading, amendments
adopted. Sent to enrolling.

Reported correctly enrolled.

1 *House* BILL NO. *253*
 2 INTRODUCED BY *Agreed* *Cooney* *Burke*
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE PUBLIC
 5 FINANCING OF POLITICAL CAMPAIGNS BY PROVIDING THAT FUNDS MAY
 6 BE DISTRIBUTED TO THE NOMINEES FOR GOVERNOR-LIEUTENANT
 7 GOVERNOR, ATTORNEY GENERAL, SUPERINTENDENT OF PUBLIC
 8 INSTRUCTION, SECRETARY OF STATE, STATE AUDITOR, CLERK OF THE
 9 SUPREME COURT, PUBLIC SERVICE COMMISSIONER, CHIEF JUSTICE,
 10 AND JUSTICE OF THE SUPREME COURT; AND PROVIDING AUTHORIZED
 11 AMOUNTS AND CAMPAIGN SPENDING LIMITATIONS; AMENDING SECTIONS
 12 13-37-302 AND 13-37-304, MCA."

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

15 Section 1. Section 13-37-302, MCA, is amended to read:

16 "13-37-302. Definitions. As used in this part, unless
 17 the context requires otherwise, the following definitions
 18 apply:

19 (1) "Fund" means the election campaign fund
 20 established in 13-37-304.

21 (2) "Political party" is a party whose candidate for
 22 governor in the last general election received 5% or more of
 23 the total votes cast for that office as verified by the
 24 secretary of state.

25 (3) "Department" means the department of revenue

1 provided for in Title 2, chapter 15, part 13.

2 (4) "Candidate" means an individual who has been
 3 nominated by a political party for election to ~~public the~~
 4 ~~office of governor-lieutenant governor, attorney general,~~
 5 ~~superintendent of public instruction, secretary of state,~~
 6 ~~state auditor, clerk of the supreme court, or public service~~
 7 ~~commissioner or has been nominated in the nonpartisan~~
 8 ~~primary election for the office of chief justice or justice~~
 9 ~~of the supreme court~~ in this state.

10 (5) "Individual" means a natural person."

11 Section 2. Section 13-37-304, MCA, is amended to read:

12 "13-37-304. Public campaign fund. (1) There is a
 13 public campaign fund within the earmarked revenue fund
 14 provided for in 17-2-102. ~~The maximum amount of money that~~
 15 ~~may be in the fund in a given year, denoted Y, is computed~~
 16 ~~as follows:~~

17
$$1500,000 \times (1.03)^{(Y-1980)}$$

18 (2) All money designated under 13-37-303 shall be
 19 deposited in the fund. ~~Money in excess of the authorized~~
 20 ~~fund limit provided in subsection (1) shall be deposited in~~
 21 ~~the general fund.~~

22 (3) Five months before the general election in a
 23 gubernatorial election year, all money in the fund shall
 24 be paid over in equal amounts to the treasurer of each
 25 political party to be spent only for the legitimate campaign

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1 ~~expenses of candidates for public offices which offices have~~
 2 ~~been designated by the legislature to eligible candidates~~
 3 ~~according to the following percentage schedule:~~

4 Office	Percentage
5	of fund
6 (a) <u>governor- lieutenant governor</u>	<u>10%</u>
7 (b) <u>attorney general</u>	<u>3%</u>
8 (c) <u>superintendent of public instruction</u>	<u>2%</u>
9 (d) <u>secretary of state</u>	<u>1%</u>
10 (e) <u>state auditor</u>	<u>1%</u>
11 (f) <u>clerk of the supreme court</u>	<u>0.6%</u>
12 (g) <u>chief justice of the supreme court</u>	<u>3%</u>
13 (h) <u>associate justice of the supreme court</u>	<u>3%</u>
14 (i) <u>public service commissioner</u>	<u>1.5%</u>

15 ~~(4) The money may be spent only for the legitimate~~
 16 ~~campaign expenses of the candidate.~~

17 ~~(5) Three months before the general election in the~~
 18 ~~election year that the office is on the ballot, any money~~
 19 ~~remaining in the fund shall be distributed to eligible~~
 20 ~~candidates in the same proportion as provided in the~~
 21 ~~percentage schedule in subsection (3)."~~

22 ~~NEW SECTION. Section 3. Unopposed candidates~~
 23 ~~ineligible. In a campaign where the candidate is unopposed,~~
 24 ~~including campaigns for chief justice or justice of the~~
 25 ~~supreme court, the candidate may not receive any campaign~~

1 funds.

2 ~~NEW SECTION. Section 4. Application -- limitations --~~
 3 ~~penalties. (1) All candidates who wish to receive money from~~
 4 ~~the fund must notify the department on a form prescribed and~~
 5 ~~supplied by the department. Acceptance of money from the~~
 6 ~~fund is voluntary. A candidate who accepts money from the~~
 7 ~~fund must limit his campaign spending as provided in~~
 8 ~~subsection (2).~~

9 (2) The total general election expenditures of a
 10 candidate and his principal political committee accepting
 11 money from the fund may not exceed the total of four times
 12 the amount of money received from the fund. If a candidate
 13 spends more than the total allowed in subsection (2), he
 14 must remit to the fund within 30 days all money received
 15 from the fund. Failure to return funds in the prescribed
 16 time is punishable by imprisonment for not more than 1 year
 17 or by a fine of not more than \$5,000, or both.

-End-

1 HOUSE BILL NO. 853

2 INTRODUCED BY AZZARA, COONEY, BARDANOUE

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE PUBLIC
5 FINANCING OF POLITICAL CAMPAIGNS BY PROVIDING THAT FUNDS MAY
6 BE DISTRIBUTED TO THE NOMINEES FOR GOVERNOR-LIEUTENANT
7 GOVERNOR, ATTORNEY--GENERAL,---SUPERINTENDENT---OF---PUBLIC
8 INSTRUCTION, SECRETARY OF STATE, STATE AUDITOR, CLERK OF THE
9 SUPREME--COURT,---PUBLIC-SERVICE-COMMISSIONER, CHIEF JUSTICE,
10 AND JUSTICE OF THE SUPREME COURT; AND PROVIDING AUTHORIZED
11 AMOUNTS AND CAMPAIGN SPENDING LIMITATIONS; AMENDING SECTIONS
12 13-37-302 AND 13-37-304, MCA."

13
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

15 Section 1. Section 13-37-302, MCA, is amended to read:

16 "13-37-302. Definitions. As used in this part, unless
17 the context requires otherwise, the following definitions
18 apply:

19 (1) "Fund" means the election campaign fund
20 established in 13-37-304.

21 (2) "Political party" is a party whose candidate for
22 governor in the last general election received 5% or more of
23 the total votes cast for that office as verified by the
24 secretary of state.

25 (3) "Department" means the department of revenue

1 provided for in Title 2, chapter 15, part 13.

2 (4) "Candidate" means an individual who has been
3 nominated by a political party for election to public ~~the~~
4 ~~office of governor-lieutenant governor-attorney-general~~
5 ~~superintendent-of-public-instruction,--secretary--of--state~~
6 ~~state-auditor-clerk-of-the-supreme-court,--or--public-service~~
7 ~~commissioner or has been nominated in the nonpartisan~~
8 ~~primary election for the office of chief justice or justice~~
9 ~~of the supreme court~~ in this state.

10 (5) "Individual" means a natural person."

11 Section 2. Section 13-37-304, MCA, is amended to read:

12 "13-37-304. Public campaign fund. (1) There is a
13 public campaign fund within the earmarked revenue fund
14 provided for in 17-2-102. ~~the maximum amount of money that~~
15 ~~may be in the fund in a given year, denoted by, is computed~~
16 ~~as follows:~~

17 ~~\$500,000-x-11x031-(x-1900)~~

18 (2) All money designated under 13-37-303 shall be
19 deposited in the fund. ~~Money in excess of the authorized~~
20 ~~fund limit provided in subsection (1) shall be deposited in~~
21 ~~the general fund.~~

22 (3) ~~(A)~~ Five months before the general election in a
23 gubernatorial ~~the~~ election year, ~~all~~ money in the fund shall
24 be paid over ~~in equal amounts to the treasurer of each~~
25 ~~political party to be spent only for the legitimate campaign~~

1 expenses-of-candidates-for-public-offices-which-offices-have
2 been-designated-by-the-legislature to-eligible-candidates
3 according-to-the-following-percentage-schedule

Office	Percentage of fund--
(a) governor-lieutenant-governor-----	19%
(b) attorney-general-----	3%
(c) superintendent-of-public-instruction-----	2%
(d) secretary-of-state-----	1%
(e) state-auditor-----	1%
(f) clerk-of-the-supreme-court-----	0.6%
(g) chief-justice-of-the-supreme-court-----	3%
(h) associate-justice-of-the-supreme-court-----	3%
(i) public-service-commissioner-----	1.5%
(j) The money may be spent only for the legitimate campaign expenses of the candidates	

15 ~~(k) Three months before the general election in the~~
16 ~~election year that the office is on the ballot, any money~~
17 ~~remaining in the fund shall be distributed to eligible~~
18 ~~candidates in the same proportion as provided in the~~
19 ~~percentage schedule in subsection (3)(B) IN EQUAL AMOUNTS TO~~
20 ~~THE CANDIDATE ACCORDING TO THE PERCENTAGES IN (3)(B). THE~~
21 ~~MONEY SHALL BE SPENT ONLY FOR THE LEGITIMATE CAMPAIGN~~
22 ~~EXPENSES OF THE CANDIDATES.~~

23 (B) THE MONEY SHALL BE DISTRIBUTED IN THE FOLLOWING

1 PERCENTAGES:
2 GOVERNOR-LIEUTENANT GOVERNOR, 60%
3 CHIEF JUSTICE OF SUPREME COURT, 20%
4 JUSTICE OF SUPREME COURT, 20%
5 (4) THREE MONTHS BEFORE THE GENERAL ELECTION IN A
6 GENERAL ELECTION YEAR THE REMAINDER OF ANY MONEY IN THE FUND
7 SHALL BE REMITTED TO THE TREASURER OF EACH CANDIDATE IN THE
8 SAME PROPORTION AS PROVIDED IN SUBSECTION (3)(B)."

9 NEW SECTION. Section 3. Unopposed candidates
10 ineligible. In a campaign where the candidate is unopposed,
11 including campaigns for chief justice or justice of the
12 supreme court, the candidate may not receive any campaign
13 funds.

14 NEW SECTION. Section 4. Application -- limitations --
15 penalties. (1) All candidates who wish to receive money from
16 the fund must notify the department on a form prescribed and
17 supplied by the department. Acceptance of money from the
18 fund is voluntary. A candidate who accepts money from the
19 fund must limit his campaign spending as provided in
20 subsection (2).

21 (2) The total general election expenditures of a
22 candidate and his principal political committee accepting
23 money from the fund may not exceed the total of four THREE
24 times the amount of money received from the fund BY A
25 CANDIDATE FOR GOVERNOR-LIEUTENANT GOVERNOR OR TWO TIMES THE

1 ~~AMOUNT RECEIVED BY A CANDIDATE FOR CHIEF JUSTICE OR~~
2 ~~ASSOCIATE JUSTICE OF THE SUPREME COURT.~~ If a candidate
3 spends more than the total allowed in subsection (2), he
4 must remit to the fund within 30 days all money received
5 from the fund. Failure to return funds in the prescribed
6 time is punishable by imprisonment for not more than 1 year
7 or by a fine of not more than \$5,000, or both.

-End-

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6 BE DISTRIBUTED TO THE NOMINEES FOR GOVERNOR-LIEUTENANT
7 GOVERNOR, ATTORNEY--GENERAL--SUPERINTENDENT--OF--PUBLIC
8 INSTRUCTION, SECRETARY-OF-STATE, STATE-AUDITOR, CLERK-OF-THE
9 SUPREME--COURT,--PUBLIC-SERVICE-COMMISSIONER, CHIEF JUSTICE,
10 AND JUSTICE OF THE SUPREME COURT; CHANGING THE METHOD OF
11 COLLECTING FUNDS; AND PROVIDING AUTHORIZED AMOUNTS AND
12 CAMPAIGN SPENDING LIMITATIONS; AMENDING SECTIONS 13-37-302,
13 13-37-303, AND 13-37-304, MCA."

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

16 Section 1. Section 13-37-302, MCA, is amended to read:

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18 the context requires otherwise, the following definitions
19 apply:20 (1) "Fund" means the election campaign fund
21 established in 13-37-304.22 (2) "Political party" is a party whose candidate for
23 governor in the last general election received 5% or more of
24 the total votes cast for that office as verified by the
25 secretary of state.1 (3) "Department" means the department of revenue
2 provided for in Title 2, chapter 15, part 13.3 (4) "Candidate" means an individual who has been
4 nominated by a political party for election to ~~public the~~
5 ~~office of governor-lieutenant governor-attorney-general-~~
6 ~~superintendent-of-public-instruction--secretary--of--state~~
7 ~~state-auditor-clerk-of-the-supreme-court-or-public-service~~
8 ~~commissioner or has been nominated in the nonpartisan~~
9 ~~primary election for the office of chief justice or justice~~
10 ~~of the supreme court~~ in this state.

11 (5) "Individual" means a natural person."

12 SECTION 2. SECTION 13-37-303, MCA, IS AMENDED TO READ:

13 "13-37-303. Designation Donation by taxpayer. (1) An
14 individual whose ~~withheld~~ income tax liability--under--Title
15 ~~15--chapter--30--for--a--taxable--year--is--\$1--or--more--may~~
16 ~~designate--\$1--be--paid--over--to--the--fund~~ or payment of
17 ~~estimated tax exceeds by more than \$1 his income tax~~
18 ~~liability for the taxable year may donate \$1 to be paid to~~
19 ~~the fund.~~ In the case of a joint return, as provided in
20 15-30-142, of a husband and wife having an income tax
21 liability overpayment as defined in 15-30-142 of \$2 or more,
22 each spouse may designate donate \$1 be paid to the fund.23 (2) ~~An individual with an unpaid tax liability may at~~
24 ~~the time of payment donate an extra \$1 to be paid to the~~
25 ~~fund.~~

1 ~~(2)(3)~~ The department shall provide a place on the
 2 face of the blank form of return, provided for in 15-30-144,
 3 where an individual may make the designation donations
 4 provided for in subsection subsections (1) and (2). The form
 5 shall adequately explain the individual's option to
 6 designate donate \$1 to the fund and that a designation does
 7 not increase tax liability."

8 Section 3. Section 13-37-304, MCA, is amended to read:

9 "13-37-304. Public campaign fund. (1) There is a
 10 public campaign fund within the earmarked revenue fund
 11 provided for in 17-2-102. ~~The maximum amount of money that~~
 12 ~~may be in the fund in a given year, denoted Y, is computed~~
 13 ~~as follows:~~

14 ~~\$500,000 x (1+Y)~~

15 (2) All money designated under 13-37-303 shall be
 16 deposited in the fund. ~~Money in excess of the authorized~~
 17 ~~fund limit provided in subsection (1) shall be deposited in~~
 18 ~~the general funds~~

19 (3) ~~(A)~~ Five months before the general election in a
 20 gubernatorial the election year, ~~all~~ money in the fund shall
 21 be paid over in equal amounts to the treasurer of each
 22 political party to be spent only for the legitimate campaign
 23 expenses of candidates for public offices which offices have
 24 been designated by the legislature to eligible candidates
 25 according to the following percentage schedule:

1	Office	Percentage
2		of fund
3	(a) governor lieutenant governor	10%
4	(b) attorney general	3%
5	(c) superintendent of public instruction	2%
6	(d) secretary of state	1%
7	(e) state auditor	1%
8	(f) clerk of the supreme court	0.6%
9	(g) chief justice of the supreme court	3%
10	(h) associate justice of the supreme court	3%
11	(i) public service commissioner	1.5%
12	(j) the money may be spent only for the legitimate	
13	campaign expenses of the candidates	
14	(5) three months before the general election in the	
15	election year that the office is on the ballot, any money	
16	remaining in the fund shall be distributed to eligible	
17	candidates in the same proportion as provided in the	
18	percentage schedule in subsection (3) IN EQUAL AMOUNTS TO	
19	THE CANDIDATE. ALL ELIGIBLE CANDIDATES FOR THE DESIGNATED	
20	POLITICAL OFFICE ACCORDING TO THE PERCENTAGES IN (3)(B). THE MONEY SHALL BE SPENT ONLY FOR THE LEGITIMATE CAMPAIGN	
21	EXPENSES OF THE CANDIDATES.	
22		
23	(B) THE MONEY SHALL BE DISTRIBUTED IN THE FOLLOWING	
24	PERCENTAGES:	
25	GOVERNOR-LIEUTENANT-GOVERNOR--60% CAMPAIGN FOR OFFICE	

1 ~~OF GOVERNOR-LIEUTENANT GOVERNOR, 50%~~
2 ~~CHIEF JUSTICE--OF--SUPREME--COURT--AND~~ CAMPAIGNS FOR
3 ~~OFFICES OF CHIEF JUSTICE AND JUSTICE OF THE SUPREME COURT,~~
4 ~~50% EQUALLY ALLOCATED TO EACH ELIGIBLE CAMPAIGN FUND~~
5 ~~JUSTICE-OF-SUPREME-COURT--AND~~
6 ~~(4) THREE MONTHS BEFORE THE GENERAL ELECTION IN A~~
7 ~~GENERAL ELECTION YEAR THE REMAINDER OF ANY MONEY IN THE FUND~~
8 ~~SHALL BE REMITTED TO THE TREASURER OF EACH CANDIDATE IN THE~~
9 ~~SAME PROPORTION AS PROVIDED IN SUBSECTION (311(2))."~~

10 ~~NEW SECTION. Section 4. Unopposed candidates~~
11 ~~ineligible. In a campaign where the candidate is unopposed,~~
12 ~~including campaigns for chief justice or justice of the~~
13 ~~supreme court, the candidate may not receive any campaign~~
14 ~~funds.~~

15 ~~NEW SECTION. Section 5. Application---limitations---~~
16 ~~penalties. (1) All candidates who wish to receive money from~~
17 ~~the fund must notify the department on a form prescribed and~~
18 ~~supplied by the department. Acceptance of money from the~~
19 ~~fund is voluntary. A candidate who accepts money from the~~
20 ~~fund--must--limit--his--campaign--spending--as--provided--in~~
21 ~~subsection (2)."~~

22 ~~(2) The total general election expenditures of a~~
23 ~~candidate and his principal political committee accepting~~
24 ~~money from the fund may not exceed the total of four THOUSAND~~
25 ~~times the amount of money received from the fund BY A~~

1 ~~CANDIDATE FOR GOVERNOR-LIEUTENANT GOVERNOR OR TWO TIMES THE~~
2 ~~AMOUNT RECEIVED BY A CANDIDATE FOR CHIEF JUSTICE OR~~
3 ~~ASSOCIATE JUSTICE OF THE SUPREME COURT--if a candidate~~
4 ~~spends more than the total allowed in subsection (2) he~~
5 ~~must remit to the fund within 30 days all money received~~
6 ~~from the fund--failure to return funds in the prescribed~~
7 ~~time--is punishable by imprisonment for not more than 1 year~~
8 ~~or by a fine of not more than \$5,000 or both~~

-End-

March 16, 1979

SENATE STANDING COMMITTEE REPORT
(State Administration)

That House Bill No. 853, third reading bill, be amended as follows:

1. Title, line 10.

Following: "COURT;"

Insert: "CHANGING THE METHOD OF COLLECTING FUNDS;"

2. Title, line 12.

Following: "13-37-302"

Insert: ", 13-37-303,"

3. Page 2.

Following: line 10

Insert: "Section 2. Section 13-37-303, MCA, is amended to read:

"13-13-303. Designation Donation by taxpayer. (1) An individual whose withheld income tax liability under Title 15, chapter 30 for a taxable year is \$1 or more may designate \$1 be paid over to the fund or payment of estimated tax exceeds by more than \$1 his income tax liability for the taxable year may donate \$1 to be paid to the fund. In the case of a joint return, as provided in 15-30-142, of a husband and wife having an income tax liability overpayment as defined in 15-30-149 of \$2 or more, each spouse may designate donate \$1 be paid to the fund.

(2) An individual with an unpaid tax liability may at the time of payment donate an extra \$1 to be paid to the fund.

~~(2)~~ (3) The department shall provide a place on the face of the blank form of return, provided for in 15-30-144, where an individual may make the designation donations provided for in subsection subsections (1) and (2). The form shall adequately explain the individual's option to designate donate \$1 to the fund and that a designation does not increase tax liability."

Renumber: subsequent sections

4. Page 3, line 22.

Strike: "THE CANDIDATE"

Insert: "all eligible candidates for the designated political office"

5. Page 4, line 2.

Strike: line 2 in its entirety

Insert: "campaign for office of governor-lieutenant governor, 50%"

6. Page 4, line 3.

Strike: line 3 in its entirety

Insert: "campaigns for offices of chief justice and justice of the supreme court, 50% equally allocated to each eligible campaign fund"

7. Page 4, line 4.

Strike: line 4 in its entirety

8. Page 4, line 14.

Following: "Application"

Strike: "-- limitations --"

Insert: "."

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9. Page 4, line 15.
Strike: "penalties. (1)"

10. Page 4, line 18.
Following: "voluntary."
Strike: the remainder of the section in its entirety