

SENATE BILL 470

IN THE SENATE

February 12, 1979	Introduced and referred to Committee on Fish and Game.
February 13, 1979	Fiscal note requested.
February 16, 1979	Fiscal note returned.
February 20, 1979	Committee recommend bill, do not pass.

1 Senate BILL NO. 470
2 INTRODUCED BY DLK

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR PUBLIC
5 FINANCING OF POLITICAL CAMPAIGNS FOR THE OFFICE OF STATE
6 SENATOR AND TO PLACE LIMITS ON THE EXPENDITURES OF
7 CANDIDATES ACCEPTING MONEY FROM THE PUBLIC CAMPAIGN FUND FOR
8 STATE SENATE CAMPAIGNS."

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

11 Section 1. Public finances for state senate campaigns.
12 (1) There is a public campaign fund for state senate
13 campaigns within the earmarked revenue fund provided for in
14 17-2-102 that is separate and distinct from the public
15 campaign fund provided for in 13-37-304.

16 (2) All money designated under [section 2] shall be
17 deposited in the fund.

18 Section 2. Designation by taxpayer. (1) An individual
19 whose income tax liability under Title 15, chapter 30, for a
20 taxable year is \$2 or more may designate \$2 to be paid over
21 to the fund provided for in [section 1]. In the case of a
22 joint return, as provided in 15-30-142, of a husband and
23 wife having an income tax liability of \$4 or more, each
24 spouse may designate \$2 to the fund provided for in [section
25 1].

1 (2) The department of revenue shall provide a place on
2 the face of the blank form of return, provided for in
3 15-30-144, where an individual may make the designation
4 provided for in subsection (1). This is in addition to
5 13-37-303. The form must adequately explain the individual's
6 option to designate \$2 to the public campaign fund for state
7 senate campaigns and that a designation does not increase
8 tax liability.

9 Section 3. Candidates entitled to receive money from
10 fund. (1) A candidate for the state senate may not receive
11 money from the fund established by [section 1] unless the
12 candidate has a single political committee for campaign
13 contributions and expenditures. Money received by a
14 candidate pursuant to [this act] shall be spent only through
15 a political committee and must be reported by the
16 candidate's political committee as provided in 13-37-225.

17 (2) If a candidate desires to receive money from the
18 fund established by [section 1], the candidate must file a
19 statement of intent with the commissioner of campaign
20 finances and practices to seek qualifying contributions or
21 to make qualifying expenditures.

22 Section 4. Primary elections -- persons entitled to
23 receive money from fund. (1) A candidate for the state
24 senate in a primary election may obtain money from the fund
25 established by [section 1] if he agrees to comply with the

1 limitations on expenditures in [section 6].

2 (2) An unopposed candidate for nomination in a primary
3 election is not entitled to money from the fund established
4 by [section 1].

5 (3) A write-in candidate may not be regarded as
6 opposition or as creating a contested primary under this
7 section.

8 (4) A candidate may receive from the fund an amount
9 equal to \$2 for each \$1 of contributions over \$200 if the
10 candidate certifies to the commissioner of campaign finances
11 and practices that the political committee has raised \$200
12 in individual contributions of \$10 or less and agrees to
13 comply with the limitations on expenditures in [section 6].

14 Section 5. Nominee entitled to receive funds in the
15 general election. (1) A candidate listed on the ballot in
16 the general election as a nominee of a political party for
17 the office of state senator may receive \$1,500 from the
18 fund.

19 (2) An unopposed candidate for election is not
20 entitled to money from the fund established by [section 1].

21 Section 6. Limitation on expenditures. A candidate who
22 receives money as provided in [this act] must not spend more
23 than \$1,000 for the primary election or more than \$3,000 for
24 the general election.

25 Section 7. Insufficient funds. If insufficient funds

1 exist in the fund established by [section 1] to provide bill
2 funding to eligible candidates, the campaign funds shall be
3 distributed to those candidates on a pro rata basis.

4 Section 8. Penalties for violation. The use of money
5 from the fund by anyone for any purpose other than the
6 legitimate campaign expenses of a candidate for the state
7 senate is an offense and is punishable by imprisonment for
8 not more than 1 year, by a fine of not more than \$5,000, or
9 by both.

10 Section 9. Codification. Sections 1 through 8 are
11 intended to be codified as an integral part of Title 13,
12 chapter 37, part 3, and the provisions contained in Title
13 13, chapter 37, apply to sections 1 through 8.

-End-

STATE OF MONTANA

REQUEST NO. 328-79

FISCAL NOTE

Form BD-15

In compliance with a written request received February 13, 19 79, there is hereby submitted a Fiscal Note for Senate Bill 470 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

This proposed bill provides for public financing of political campaigns for the office of state senator and to place limits on the expenditures of candidates accepting money from the Public Campaign Fund for state senate campaigns.

ASSUMPTIONS

- a) The Department of Revenue forecast of individual income tax receipts for the 80-81 biennium is the basis for comparison.
- b) Under continuation of the present law, 60,000 taxpayers will designate \$1 of their individual income tax liability for "campaign expenses of candidates for public office which offices have been designated by the legislature" (Public Campaign Fund).
- c) Under the proposed law, 56,000 taxpayers will designate \$1 of their individual income tax liability for the Public Campaign Fund, and 6000 taxpayers will designate \$2 of their individual income tax liability for the State Senatorial Campaign Fund (it is assumed that 1,000 of those taxpayers are designating that both funds shall receive a share of their tax).

FISCAL IMPACT

	<u>FY 80</u>	<u>FY 81</u>
Individual Income Tax Collections		
under current law	\$154,268,000	\$169,790,000
under proposed law	154,260,000	169,782,000
Estimated Decrease	<u>(\$ 8,000)</u>	<u>(\$ 8,000)</u>
Public Campaign Fund Designations		
under current law	\$ 60,000	\$ 60,000
under proposed law	56,000	56,000
Estimated Decrease	<u>(\$ 4,000)</u>	<u>(\$ 4,000)</u>
State Senatorial Campaign Fund Designations		
under current law	\$ 0	\$ 0
under proposed law	12,000	12,000
Estimated Increase	<u>\$ 12,000</u>	<u>\$ 12,000</u>

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Richard L. Drunger
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2/16/79

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FISCAL IMPACT (Cont.)

	<u>FY 80</u>	<u>FY 81</u>
Total Revenue		
under current law	\$154,328,000	\$169,850,000
under proposed law	<u>154,328,000</u>	<u>169,850,000</u>
Estimated Impact	<u>\$ 0</u>	<u>\$ 0</u>

FUND INFORMATION

General Fund		
under current law	\$ 98,731,520	\$108,665,600
under proposed law	<u>98,726,400</u>	<u>108,660,480</u>
Estimated Decrease	<u>(\$ 5,120)</u>	<u>(\$ 5,120)</u>
Earmarked Fund (Sch. Found. Program)		
under current law	\$ 38,567,000	\$ 42,447,500
under proposed law	<u>38,565,000</u>	<u>42,445,500</u>
Estimated Decrease	<u>(\$ 2,000)</u>	<u>(\$ 2,000)</u>
Earmarked Fund (Pub. Campaign Fund)		
under current law	\$ 60,000	\$ 60,000
under proposed law	<u>56,000</u>	<u>56,000</u>
Estimated Decrease	<u>(\$ 4,000)</u>	<u>(\$ 4,000)</u>
Earmarked Fund (St. Sen. Camp. Fund)		
under current law	\$ 0	\$ 0
under proposed law	<u>12,000</u>	<u>12,000</u>
Estimated Increase	<u>\$ 12,000</u>	<u>\$ 12,000</u>
Sinking Fund*		
under current law	\$ 16,969,480	\$ 18,676,900
under proposed law	<u>16,968,600</u>	<u>18,676,020</u>
Estimated Decrease	<u>(\$ 880)</u>	<u>(\$ 880)</u>

*A portion of this account may be transferred to the general fund as long-range bond excess.

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EFFECT ON LOCAL GOVERNMENTS

See Technical Note (b)

TECHNICAL NOTES

- (a) Under the proposed law it is possible for a taxpayer with a total tax liability of \$2 to designate \$2 to the State Senatorial Campaign Fund and \$1 to the Public Campaign Fund.
- (b) It should be noted that income to the indicated earmarked revenue fund is used to support the Public School Foundation Program, therefore, any reductions to receipts to that account may necessitate additional support from other sources.
- (c) Section 4(4), page 3, provides that a candidate may receive \$2 for every \$1 in excess of \$200 received, however, under provisions of Section 6, page 3, can only expend \$1,000. Therefore, a candidate could receive an unlimited amount in matching funds, but he could only expend \$1,000 in total. Perhaps some provision should be amended into the proposed legislation that would require that amounts received in excess of the expenditure limits established under Section 6, be returned to the public campaign fund.

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: _____