SENATE BILL 176

Introduced by Bianchi, et al.

1/16	Introduced
•	Referred to State Administration
1/16	First Reading
1/22	
1/27	
2/02	- · · · · · · · · · · · · · · · · · · ·
2/05	Fiscal Note Printed
2/05	Tabled in Committee
2/16	Committee ReportBill Passed as Amended
2/17	
2/17	Revised Fiscal Note Received
2/17	Revised Fiscal Note Printed
2/18	2nd Reading Passed
2/19	3rd Reading Passed
	Transmitted to House
2/23	Referred to State Administration
2/23	First Reading
3/16	Hearing
	Tabled in Committee
4/01	Motion Failed to Take From Committee and
	Place on 2nd Reading

(3/5 Vote Required for this Motion to Pass)

LC 0469/01

Senate BILL NO. 176 1 INTRODUCED BY Rianch 2 ₽<u>~</u> Hunder in mauson ~ WANTENRIED. S.L BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE RELATING TO BALLOT ISSUE CAMPAIGNS; SPECIFICALLY LAWS 5 PROHIBITING FALSE PUBLICATIONS RELATED TO A BALLOT ISSUE: 6 REQUIRING COMPLIANCE REVIEW OF CERTAIN DIRECT-MAIL CAMPAIGNS 7 RELATED TO BALLOT ISSUES; PROVIDING FOR SUBSCRIPTION TO THE 8 CODE OF FAIR CAMPAIGN PRACTICES BY OFFICERS OF CERTAIN 9 POLITICAL COMMITTEES; LIMITING OUT-OF-STATE CONTRIBUTIONS IN 10 RELATION TO BALLOT ISSUE CAMPAIGNS; PROVIDING FOR AUDITS OF 11 THE BOOKS OF POLITICAL COMMITTEES WORKING ON INITIATIVE 12 BALLOT MEASURES; AND AMENDING SECTIONS 13-35-225, 13-35-301, 13 13-35-302, 13-37-209, AND 13-37-216, MCA." 14

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

17 <u>NEW SECTION.</u> Section 1. False publication related to 18 ballot issue -- penalty. (1) A person may not publish 19 information for the purpose of influencing the vote of 20 another person on a ballot issue when the person publishing 21 the information knows that the information is false.

(2) A person who violates this section is guilty of a
misdemeanor and may be punished as provided in 46-18-212.

Section 2. Section 13-35-225, MCA, is amended to read:
"13-35-225. Election materials not to be anonymous. (1)



Whenever a person makes an expenditure for the purpose of 1 financing communications advocating the success or defeat of 2 a candidate, political party, or ballot issue through any 3 broadcasting station. newspaper, magazine, outdoor 4 advertising facility, direct mailing, poster, handbill, 5 other form of general political bumper sticker, or 6 communication 7 advertising, the must clearly and conspicuously state the name and address of the person who made or financed the expenditure for the communication, q 10 including in the case of a political committee, the name and address of the treasurer. Communications in a partisan 11 12 election financed by a candidate or a political committee 13 organized on the candidate's behalf must state the candidate's party affiliation or include the party symbol. 14

(2) If a document or other article of advertising is 15 16 too small for the requirements of subsection (1) to be 17 conveniently included. the person financing the 18 communication shall file a copy of the article with the commissioner of political practices, together with the 19 20 required information, prior to its public distribution.

21 (3) If any document or other material prepared to 22 advocate the success or defeat of a ballot issue and covered 23 under subsection (1) is directly mailed to more than 50 24 addressees, the document or other material must be submitted 25 to the commissioner not later than the day of mailing. The

> -2- S&/76 INTRODUCED BILL

1 commissioner shall within 5 working days issue an opinion as 2 to whether the material is in compliance with subsection 3 (1).

4 (3)(4) If information required in subsection (1) is 5 inadvertently omitted or not printed, upon discovering the 6 omission, the person financing the communication shall file 7 notification of the omission with the commissioner within 5 8 days and make every reasonable effort to bring the material 9 into compliance with subsection (1)."

Section 3. Section 13-35-301, MCA, is amended to read:
 "13-35-301. Adoption of code of fair campaign
 practices. The following code of fair campaign practices is
 adopted by Montana:

"There are basic principles of decency, honesty, and 14 fair play that every candidate for public office and every 15 officer of a political committee in the United States has a 16 moral obligation to observe and uphold, in order that, after 17 vigorously contested but fairly conducted campaigns, our 18 citizens may exercise their constitutional right to a free 19 and untrammeled choice and the will of the people may be 20 21 fully and clearly expressed on the issues before the 22 country. Therefore:

I will conduct my campaign in the best American tradition, discussing the issues as I see them, presenting my record and policies with sincerity and frankness, and criticizing without fear or favor the record and policies of
 my opponent and his <u>my opponent's party which that</u> merit
 such criticism.

I will defend and uphold the right of every qualified
American voter to full and equal participation in the
electoral process.

7 I will conduct my campaign without the use of personal
8 vilification, character defamation, whispering campaigns,
9 libel, slander, or scurrilous attacks on my opposition
10 opponent or his my opponent's personal or family life.

I will not use campaign material of any sort which that misrepresents, distorts, or otherwise falsifies the facts, nor will I use malicious or unfounded accusations which that aim at creating or exploiting doubts, without justification, as to the loyalty and patriotism of my opposition.

16 I will not make any appeal to prejudice based on race,17 sex, creed, or national origin.

I will not undertake or condone any dishonest or unethical practice which that tends to corrupt or undermine our American system of free elections or which that hampers or prevents the full and free expression of the will of the voters.

Insofar as is possible, I will immediately and publicly
repudiate support deriving from any individual or group
which that resorts, on behalf of my candidacy or the

position of my political committee or in opposition to that of my opponent or an opposing political committee, to the methods and tactics that I have pledged not to use or condone.""

5 Section 4. Section 13-35-302, MCA, is amended to read:

*13-35-302. Candidates and officers of political 6 committees to be given opportunity to subscribe to campaign 7 practices code -- publicity. (1) The commissioner of 8 campaign political practices shall prepare a form which that 9 contains the code of fair campaign practices provided for in 10 13-35-301 and a place for a candidate or officer of a 11 political committee to sign the form and to indicate that 12 the candidate or officer endorses, subscribes to, and 13 pledges to abide by the code. 14

(2) Each candidate required to file statements or 15 reports with the commissioner and each officer of a 16 political committee registered under 13-37-201 shall must be 17 sent a copy of this form. Signing the form is voluntary, and 18 a failure or refusal to sign is not a violation of the 19 election laws. A form shall must be sent for each election 20 as soon as feasible. The signed form shall must be returned 21 to the commissioner. 22

(3) The commissioner shall supply the secretary of
state, the county registrars, and the city and town clerks
with forms. Any candidate or officer of a political

1 <u>committee</u> not required to file with the commissioner but 2 wishing to subscribe to the code may obtain the form from 3 the commissioner, the secretary of state, a county 4 registrar, or a city or town clerk and may sign the form and 5 deliver it to the commissioner."

Section 5. Section 13-37-209, MCA, is amended to read: К 7 *13-37-209. Inspection of records -- random audits required. (1) Accounts kept by the campaign treasurer of a 8 candidate or political committee may be inspected under 9 reasonable circumstances before, during, or after 10 the election to which the accounts refer by the campaign 11 12 treasurer of any opposing candidate or political committee 13 in the same electoral district. The right of inspection may 14 be enforced by appropriate writ issued by any court of competent jurisdiction. The campaign treasurers of political 15 16 committees supporting a candidate may be joined with the campaign treasurer of the candidate as respondents in such a 17 18 proceeding.

19 (2) For each election at which there are one or more 20 ballot measures, the commissioner shall audit the 21 statements, records, funds, accounts, and reports of one 22 political committee working on an initiative ballot measure 23 for which a criminal or civil action for a violation of this 24 chapter is not barred by the applicable statute of 25 limitations. The audited committee must be selected at

1	random. The commissioner shall conduct the audit to
2	determine whether:
3	(a) expenditures have been made only in furtherance of
4	authorized activities and in accordance with applicable
5	laws:
6	(b) the committee collected and accounted properly for
7	all revenues and receipts arising from its activities; and
8	(c) all reports and statements required by law are
•9	prepared in accordance with applicable laws and standard
10	principles of accounting and fully disclose the nature and
11	scope of the activities conducted by the committee.
12	(3) The result of audits conducted under this section
13	must be published by the commissioner in written audit
14	reports. The reports are public documents and must be made
15	available by the commissioner to any member of the public
16	upon request.
17	(4) There is an audit fee imposed on the audited
18	political committee equal to 0.2% of the total money that
19	the political committee spent on the initiative campaign.
20	The fee is due upon completion of the audit. The
21	commissioner may retain the fee to cover the audit costs."
22	Section 6. Section 13-37-216, MCA, is amended to read:
23	*13-37-216. Limitations on contributions. (1) Aggregate
24	contributions for all elections in a campaign by an
25	individual, other than the candidate, to a candidate and

1	political committees organized on his the candidate's behalf
2	are limited as follows:
3	(a) for candidates filed jointly for the office of
4	governor and lieutenant governor, not to exceed \$1,500;
5	(b) for a candidate to be elected for state office in a
6	statewide election, other than the candidates for governor
7	and lieutenant governor, not to exceed \$750;
8	(c) for a candidate for public service commissioner,
9	district court judge, or state senator, not to exceed \$400;
10	and
11	(d) for a candidate for any other public office, not to
12	exceed \$250.
13	(2) For the purposes of this subsection, an independent
14	committee means a committee which that is not specifically
15	organized on behalf of a particular candidate or which that
16	is not controlled either directly or indirectly by a
17	candidate or candidate's committee and which that does not
18	act jointly with a candidate or candidate's committee in
19	conjunction with the making of expenditures or accepting
20	contributions. For the purpose of limitation on

on his a candidate's behalf for all elections in a campaign are limited as follows:

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-8-

contributions, political party organizations are independent

committees. Aggregate contributions by an independent

committee to a candidate and political committees organized

(a) for candidates filed jointly for the offices of
 governor and lieutenant governor, not to exceed \$8,000;

3 (b) for a candidate to be elected for state office in a
4 statewide election, other than the candidates for governor
5 and lieutenant governor, not to exceed \$2,000;

6 (c) for a candidate for public service commissioner,7 not to exceed \$1,000;

8 (d) for a candidate for the state senate, not to exceed9 \$600;

10 (e) for a candidate for any other public office, not to 11 exceed \$300.

12 (3) Aggregate contributions accepted from persons
13 residing or political committees organized outside of
14 Montana by a political committee organized in Montana to
15 support or oppose a Montana ballot issue may not exceed 49%
16 of total contributions to the political committee in Montana
17 in any reporting period.

18 (3)(4) The limitations imposed by this section do not 19 apply to public funds contributed to a candidate under part 20 3 of this chapter."

21 <u>NEW SECTION.</u> Section 7. Codification instruction. 22 [Section 1] is intended to be codified as an integral part 23 of Title 13, chapter 35, part 2, and the provisions of Title 24 13, chapter 35, apply to [section 1].

25 NEW SECTION. Section 8. severability. If a part of

LC 0469/01

1 [this act] is invalid, all valid parts that are severable 2 from the invalid part remain in effect. If a part of [this 3 act] is invalid in one or more of its applications, the part 4 remains in effect in all valid applications that are 5 severable from the invalid applications.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for <u>SB0176, as introduced</u>.

DESCRIPTION OF PROPOSED LEGISLATION:

The bill revises the laws relating to ballot issue campaigns by prohibiting false publications related to a ballot issue, requiring compliance review of certain direct-mail campaigns related to ballot issues and limiting out-of-state contributions in relation to ballot issue campaigns.

ASSUMPTIONS:

- 1. A Grade 12 0.50 FTE will be necessary in the Office of the Commissioner of Political Practices (commissioner) in order to meet the increased workload added by this bill. It is assumed that an average year will include 400 school special levy elections, 15 major school bond issues, various county and local bond issues, and statewide ballot issues.
- 2. The commissioner must issue an opinion within five working days of receipt of direct mail material which advocates the passage or defeat of a ballot issue. It is assumed that during the primary election cycle in 1994 (FY94), six statewide ballot issues will require issuance of opinions. Review of these will require contracted services expenses of \$30,000 (estimated at \$5,000 per issue) for consultation with experts for both sides of each ballot issue.
- 3. The bill requires one audit of a political committee per election at which there is at least one ballot issue and allows for an audit fee to be charged to cover audit costs. It is impossible to predict the fiscal impact, which could range from \$500 to \$20,000 depending on the size, complexity and duration of the committee (OLA). The commissioner would need contracted services authority to provide for payment of the audit costs and this probably would require statutory authority.

FISCAL IMPACT:	FY '94			FY '95		
	<u>Current Law</u>	Proposed Law	Difference	<u>Current Law</u>	Proposed Law	<u>Difference</u>
FTE	3.25	3.75	0.50	3.25	3.75	0.50
Personal Services	97,697	110,697	13,000	98,021	111,021	13,000
Operating Expenses	31,315	61,315	30,000	29,135	29,135	0
Equipment	1,525	1,525	_0	1,564	1,564	0
Debt Service	232	232	0	0	0	0
Total	130, 769	173,769	43,000	128,720	141,720	13,000
Funding:						
General Fund	130,769	173,769	43,000	128,720	141,720	13,000

TECHNICAL NOTE:

Following section 5, a state special revenue account and a statutory appropriation probably should be inserted for the deposit of the audit fee and the payment of audit costs.

DAVID LEWIS. BUDGET DIRECTOR Office of Budget and Program Planning

DON BIANCHI, PRIMARY SPONSOR

Fiscal Note for SB0176, as introduced

53176

STATE OF MONTANA - FISCAL NOTE Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0176, second reading.

DESCRIPTION OF PROPOSED LEGISLATION:

The bill revises the laws relating to ballot issue campaigns by providing for subscriptions to the code of fair campaign practices and limiting out-of-state contributions in relation to ballot issue campaigns.

ASSUMPTIONS:

1. The additional workload imposed on the Office of the Commissioner of Political Practice would be absorbed within the current level budget request.

FISCAL IMPACT:

Minimal impact from the current level budget request.

BUDGET DIRECTOR DAVID LEWIS, DATE Office of Budget and Program Planning

DATE

DON BIANCHI, PRIMARY SPONSOR

Fiscal Note for <u>SB0176</u>, second reading 5 B 176.42

53rd Legislature

SB 0176/02

APPROVED BY COMMITTEE ON STATE ADMINISTRATION

ı	SENATE BILL NO. 176
	INTRODUCED BY BIANCHI, ELLIOTT, DOWELL, BARDANOUVE,
2	
3	HARDING, SWANSON, BRANDEWIE, WANZENRIED, B. BROWN,
4	DOHERTY, S. RICE
5	
6	A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE
7	LAWS RELATING TO BALLOT ISSUE CAMPAIGNS; SPECIFICALLY
8	PROHIBITING-PALSE-PUBLICATIONS-RELATED-TOABALLOTISSUE;
9	REQUIRING-COMPLIANCE-REVIEW-OF-CERTAIN-DIRECT-MAIL-CAMPAIGNS
10	RELATED TO-BALLOT-ISSUES; PROVIDING FOR SUBSCRIPTION TO THE
11	CODE OF FAIR CAMPAIGN PRACTICES BY OFFICERS OF CERTAIN
12	POLITICAL COMMITTEES; LIMITING OUT-OF-STATE CONTRIBUTIONS IN
13	RELATION TO BALLOT ISSUE CAMPAIGNS; PROVIDING-POR-AUDITS-OF
14	THB-BOOKS-OPPOLITICALCOMMITTEESWORKINGONINITIATIVE
15	BALLOT-MEASURES; AND AMENDING SECTIONS 13-35-225; 13-35-301,
16	13-35-302, 13-37-2097 AND 13-37-216, MCA."
17	
18	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
10	NEW-ARCHION:Section-1Palsepublicationrelated-to

19NEW-SECTION:--Section-i:--Palse--publication--related-to20ballot-issue----penalty:--(1)--A--person--may--not--publish21information--for--the--purpose--of--influencing--the-vote-of22another-person-on-a-ballot-issue-when-the-person--publishing23the-information-knows-that-the-information-is-false:24(2)--A--person--who-violates-this-section-is-guilty-of-a25misdemeanor-and-may-be-punished-as-provided-in-46-18-212:



SB 0176/02

1	Section-2Section-13-35-2257-MEA7-is-amended-to-read:
2	#13-35-225Blection-materials-not-to-be-anonymous(1)
3	Whenever-a-person-makes-an-expenditure-forthepurposeof
4	financing-communications-advocating-the-success-or-defeat-of
5	acandidate;politicalparty;-or-ballot-issue-through-any
6	broadcastingstation;newspaper;magazine;outdoor
7	advertisingfacility;directmailing;poster;handbill;
8	bumpersticker;orotherformofgeneralpolitical
9	advertising7thecommunicationmustclearlyand
10	conspicuouslystatethe-name-and-address-of-the-person-who
11	made-or-financedtheexpenditureforthecommunication;
12	including-in-the-case-of-a-political-committee;-the-name-and
13	addressofthetreasurerCommunicationsina-partisan
14	election-financed-by-a-candidate-orapoliticalcommittee
15	organizedonthecandidate'sbehaifmuststatethe
16	candidate's-party-affiliation-or-include-the-party-symbol.
17	{2}If-a-document-or-other-articleofadvertisingis
18	toosmallfortherequirementsofsubsection-(1)-to-be
19	convenientlyincluded;thepersonfinancingthe
20	communicationshallfileacopyof-the-article-with-the
21	commissioner <u>ofpoliticalpractices</u> togetherwiththe
22	required-information;-prior-to-its-public-distribution;
23	(3)If-anydocumentorothermaterialpreparedto
24	advocate-the-success-or-defeat-of-a-bailot-issue-and-covered
25	undersubsectionflyisdirectlymailed-to-more-than-50

-2- SB 176 SECOND READING 1 addressees7-the-document-or-other-material-must-be-submitted to-the-commissioner-not-later-than-the-day-of--mailing---The 2 commissioner-shall-within-5-working-days-issue-an-opinion-as 3 to--whether--the--material--is-in-compliance-with-subsection 4 5 +±+= 6 +3)+4) If-information-required-in--subsection--++--is

inadvertently--omitted--or-not-printed7-upon-discovering-the 7 omission;-the-person-financing-the-communication-shall--file 8 notification--of-the-omission-with-the-commissioner-within-5 9 days-and-make-every-reasonable-effort-to-bring-the--material 10 11 into-compliance-with-subsection-(1)-*

12 Section 1. Section 13-35-301, MCA, is amended to read: 13 "13-35-301. Adoption of code of fair campaign 14 practices. The following code of fair campaign practices is adopted by Montana: 15

"There are basic principles of decency, honesty, and 16 fair play that every candidate for public office and every 17 18 officer of a political committee in the United States has a moral obligation to observe and uphold, in order that, after 19 vigorously contested but fairly conducted campaigns, our 20 21 citizens may exercise their constitutional right to a free and untrammaeled choice and the will of the people may be 22 fully and clearly expressed on the issues before the 23 country. Therefore: 24

25 I will conduct my campaign in the best American 1 tradition, discussing the issues as I see them, presenting my record and policies with sincerity and frankness, and 2 3 criticizing without fear or favor the record and policies of my opponent and his my opponent's party which that merit 4 5 such criticism.

I will defend and uphold the right of every qualified 6 7 American voter to full and equal participation in the 8 electoral process.

9 I will conduct my campaign without the use of personal 10 vilification, character defamation, whispering campaigns, libel, slander, or scurrilous attacks on my opposition 11 opponent or his my opponent's personal or family life. 12

13 I will not use campaign material of any sort which that 14 misrepresents, distorts, or otherwise falsifies the facts, 15 nor will I use malicious or unfounded accusations which that 16 aim at creating or exploiting doubts, without justification, 17

as to the loyalty and patriotism of my opposition.

18 I will not make any appeal to prejudice based on race, 19 sex, creed, or national origin.

20 I will not undertake or condone any dishonest or 21 unethical practice which that tends to corrupt or undermine 22 our American system of free elections or which that hampers 23 or prevents the full and free expression of the will of the 24 voters.

25 Insofar as is possible, I will immediately and publicly

-3-

SB 176

-4-

repudiate support deriving from any individual or group which that resorts, on behalf of my candidacy or the position of my political committee or in opposition to that of my opponent or an opposing political committee, to the methods and tactics that I have pledged not to use or condone.""

Section 2. Section 13-35-302, MCA, is amended to read: 7 13-35-302. Candidates and officers of political 8 committees to be given opportunity to subscribe to campaign 9 practices code -- publicity. (1) The commissioner of 10 campaign political practices shall prepare a form which that 11 contains the code of fair campaign practices provided for in 12 13-35-301 and a place for a candidate or officer of a 13 political committee to sign the form and to indicate that 14 the candidate or officer endorses, subscribes to, and 15 pledges to abide by the code. 16

(2) Each candidate required to file statements or 17 reports with the commissioner and each officer of a 18 political committee registered under 13-37-201 shall must be 19 sent a copy of this form. Signing the form is voluntary, and 20 a failure or refusal to sign is not a violation of the 21 election laws. A form shall must be sent for each election 22 as soon as feasible. The signed form shall must be returned 23 to the commissioner. 24

25 (3) The commissioner shall supply the secretary of

state, the county registrars, and the city and town clerks with forms. Any candidate or officer of a political <u>committee</u> not required to file with the commissioner but wishing to subscribe to the code may obtain the form from the commissioner, the secretary of state, a county registrar, or a city or town clerk and may sign the form and deliver it to the commissioner."

Section-5---Section-13-37-209--MCA--is-amended-to-read-8 #13-37-209---Inspection--of--records ----random--audits 9 required. (1) Accounts-kept-by-the-campaign-treasurer-of--a 10 11 candidate--or--political--committee--may--be-inspected-under 12 reasonable--circumstances--before7--during7--or--after---the 13 election--to--which--the--accounts--refer--by--the--campaign 14 treasurer--of--any-opposing-candidate-or-political-committee in-the-same-electoral-district--The-right-of-inspection--may 15 16 be--enforced--by--appropriate--writ--issued--by-any-court-of 17 competent-jurisdiction--The-campaign-treasurers-of-political 18 committees-supporting-a-candidate-may--be--joined--with--the 19 campaign-treasurer-of-the-candidate-as-respondents-in-such-a 20 proceeding-21 (2)--Por--each--election--at-which-there-are-one-or-more 22 ballot--measures,---the---commissioner---shall---audit---the 23 statements7--records7--funds7--accounts7--and-reports-of-one political-committee-working-on-an-initiative-ballot--measure 24 25 for-which-a-criminal-or-civil-action-for-a-violation-of-this

-6-

1	chapterisnotbarredbytheapplicablestatuteof
2	limitations-Theauditedcommitteemustbeselectedat
3	randomThecommissionershallconducttheauditto
4	determine-whether:
5	<u>ta}expenditures-have-been-made-only-in-furtheranceof</u>
6	authorizedactivitiesandinaccordancewith-applicable
7	tavs;
8	<u>tb;the-committee-collected-and-accounted-properlyfor</u>
9	<u>all-revenues-and-receipts-arising-from-its-activities;-and</u>
10	<u>tc}allreportsandstatementsrequiredby-law-are</u>
11	prepared-in-accordance-withapplicablelawsandstandard
12	principlesofaccounting-and-fully-disclose-the-nature-and
13	scope-of-the-activities-conducted-by-the-committee-
14	())The-result-of-audits-conducted-underthissection
15	mustbepublishedbythecommissionerin-written-audit
16	reportsThe-reports-are-public-documents-and-mustbemade
17	availablebythecommissioner-to-any-member-of-the-public
18	upon-request.
19	<u>t+;There-isanauditfeeimposedontheaudited</u>
20	politicalcommitteeequalto-0.2%-of-the-total-money-that
21	the-political-committee-spent-ontheinitiativecampaign;
22	ThefeeisdueuponcompletionoftheauditThe
23	commissioner-may-retain-the-fee-to-cover-the-audit-costs."
24	Section 3. Section 13-37-216, MCA, is amended to read:
25	"13-37-216. Limitations on contributions. (1) Aggregate

contributions for all elections in a campaign by an
 individual, other than the candidate, to a candidate and
 political committees organized on his the candidate's behalf
 are limited as follows:

5 (a) for candidates filed jointly for the office of
6 governor and lieutenant governor, not to exceed \$1,500;

7 (b) for a candidate to be elected for state office in a
8 statewide election, other than the candidates for governor
9 and lieutenant governor, not to exceed \$750;

10 (c) for a candidate for public service commissioner,
11 district court judge, or state senator, not to exceed \$400;
12 and

13 (d) for a candidate for any other public office, not to14 exceed \$250.

15 (2) For the purposes of this subsection, an independent 16 committee means a committee which that is not specifically 17 organized on behalf of a particular candidate or which that 18 is not controlled either directly or indirectly by a 19 candidate or candidate's committee and which that does not 20 act jointly with a candidate or candidate's committee in 21 conjunction with the making of expenditures or accepting 22 contributions. For the purpose of limitation on 23 contributions, political party organizations are independent 24 committees. Aggregate contributions by an independent 25 committee to a candidate and political committees organized

-7-

-8-

SB 176

1 on his <u>a candidate's</u> behalf for all elections in a campaign 2 are limited as follows:

3 (a) for candidates filed jointly for the offices of
4 governor and lieutenant governor, not to exceed \$8,000;

5 (b) for a candidate to be elected for state office in a 6 statewide election, other than the candidates for governor 7 and lieutenant governor, not to exceed \$2,000;

8 (c) for a candidate for public service commissioner,
9 not to exceed \$1,000;

10 (d) for a candidate for the state senate, not to exceed 11 \$600;

12 (e) for a candidate for any other public office, not to 13 exceed \$300.

14 (3) Aggregate contributions accepted from persons
15 residing or political committees organized outside of
16 Montana by a political committee organized in Montana to
17 support or oppose a Montana ballot issue may not exceed 49%
18 of total contributions to the political committee in Montana
19 in any reporting period.

20 (3)(4) The limitations imposed by this section do not
21 apply to public funds contributed to a candidate under part
22 3 of this chapter."

23 NEW-SECTION---Section-7--Codification-----instruction 24 {Section-1}-is-intended-to-be-codified-as-an--integral--part
 25 of-Title-137-chapter-357-part-27-and-the-provisions-of-Title

-9-

1 137-chapter-357-apply-to-fsection-11:

2 <u>NEW SECTION.</u> Section 4. Severability. If a part of 3 [this act] is invalid, all valid parts that are severable 4 from the invalid part remain in effect. If a part of [this 5 act] is invalid in one or more of its applications, the part 6 remains in effect in all valid applications that are 7 severable from the invalid applications.

-End-

-10-

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SB 0176/02

1	SENATE BILL NO. 176	1	Bection-2Section-13-35-2257-MCA7-is-amended-to-read:
2	INTRODUCED BY BIANCHI, ELLIOTT, DOWELL, BARDANOUVE,	2	#13-35-225tBlection-materials-not-to-be-anonymoust-(1
3	HARDING, SWANSON, BRANDEWIE, WANZENRIED, B. BROWN,	3	Whenever-a-person-makes-an-expenditure-forthepurposeo
4	DOHERTY, S. RICE	4	financing-communications-advocating-the-success-or-defeat-o
5		5	acandidateypoliticalpartyy-or-ballot-issue-through-an
6	A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE	6	broadcastingstation;newspaper;magazine;outdoo
7	LAWS RELATING TO BALLOT ISSUE CAMPAIGNS; SPBCIPICALLY	7	advertisingfacility;directmailing;poster;handbili
8	PROHIBITING-PA59B-PUBLICATIONS-RELATED-TOABALLOTISSUE;	8	bumpersticker;orotherformofgeneralpolitica
9	R BQUIRING-COM P LIANCE-REVIEW-OF-CERTAIN-DIRBCT-NAIL-CAMPAIGNS	9	advertising;thecommunicationmustclearlyan
10	RELATED TO-BALLOT-ISSUES; PROVIDING FOR SUBSCRIPTION TO THE	10	conspicuouslystatethe-name-and-address-of-the-person-wh
11	CODE OF FAIR CAMPAIGN PRACTICES BY OFFICERS OF CERTAIN	11	made-or-financedtheexpenditureforthecommunication
12	POLITICAL COMMITTEES; LIMITING OUT-OF-STATE CONTRIBUTIONS IN	12	including-in-the-case-of-a-political-committee;-the-name-an
13	RELATION TO BALLOT ISSUE CAMPAIGNS; PROVIDING-POR-AUDITS-OP	13	addressofthetreasurerCommunicationsina-partise
14	THE-BOOKS-OFPOLITICALCOMMITTEBSWORKINGONINITIATIVE	14	election-financed-by-a-candidate-orapoliticalcommitte
15	BALLOT-MEASURES; AND AMENDING SECTIONS 13-35-225, 13-35-301,	15	organizedonthecandidate-sbehalfmuststateth
16	13-35-302, 13-37-2097 AND 13-37-216, MCA."	16	candidate-s-party-affiliation-or-include-the-party-symbol-
17		17	{2}If-a-document-or-other-articleofadvertisingi
18	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	18	toosmallfortherequirementsofsubsection-(l)-to-b
19	NBN-SBCTIONSection-ltPalsepublicationrelated-to	19	convenientlyincludedythepersonfinancingth
20	ballot-issuepenalty;(l)-Apersonmaynotpublish	20	communicationshallfileacopyof-the-article-with-th
21	informationforthepurposeofinfluencingthe-vote-of	21	commissioner ofpoliticalpractices7togetherwithth
22	another-person-on-a-ballot-issue-when-the-personpublishing	22	required-information,-prior-to-its-public-distribution.
23	the-information-knows-that-the-information-is-falser	23	<u> 13)If-anydocumentorothermaterialpreparedt</u>
24	<pre>t2)Apersonwho-violates-this-section-is-guilty-of-a</pre>	24	advocate-the-success-or-defeat-of-a-ballot-issue-and-covere
25	misdemeanor-and-may-be-punished-as-provided-in-46-10-212+	25	undersubsectiontljisdirectlymailed-to-more-than-5
-			

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Ŧ	Bection-2Section-13-35-2257-MCAy-is-amended-to-read;
2	#19-35-225tBlection-materials-not-to-be-anonymoust-(1)
3	Whenever-a-person-makes-an-expenditure-forthepurposeof
4	financing-communications-advocating-the-success-or-defeat-of
5	acandidateypoliticalpartyy-or-ballot-issue-through-any
6	broadcastingstationynewspaperymagazineyoutdoor
7	advertisingfacility7directmailing7poster7handbill7
8	bumpersticker;orotherformofgeneralpolitical
9	advertisingythecommunicationmustclearlyand
10	conspicuouslystatethe-name-and-address-of-the-person-who
11	made-or-financedtheexpenditureforthecommunication;
12	including-in-the-case-of-a-political-committee;-the-name-and
13	addressofthetreasurerCommunicationsina-partison
14	election-financed-by-a-candidate-orapoliticalcommittee
15	organizedonthecandidate+sbehałfmuststatethe
16	candidate's-party-affiliation-or-include-the-party-symbol-
17	f2)If-a-document-or-other-articleofadvertisingis
18	toosmallfortherequirementsofsubsection-(1)-to-be
19	convenientlyincluded;thepersonfinancingthe
20	communicationshallfileacopyof-the-article-with-the
21	commissioner <u>ofpoliticalpractices</u> ;togetherwiththe
22	required-information;-prior-to-its-public-distribution;
23	<u>{3}!f-anydocumentorothermaterialpreparedto</u>
24	advocate-the-success-or-defeat-of-a-ballot-issue-and-covered
25	undersubsection <u>(t)isdirectlymailed-to-more-than-50</u>

-2-

SB 176

THIRD READING

 1
 addressees7-the-document-or-other-material-must-be-submitted

 2
 to-the-commissioner-not-later-than-the-day-of--mailingT--The

 3
 commissioner-shall-within-5-working-days-issue-an-opinion-as

 4
 to--whether--the--material--is-in-compliance-with-subsection

 5
 <u>tityT</u>

 6
 (3)(4)
 if-information-required--in--subsection--(1)--is

 7
 inadvertently--omitted--or-not-printedy-upon-discovering-the

8 omission7-the-person-financing-the-communication-shall--file
 9 notification--of-the-omission-with-the-commissioner-within-5
 10 days-and-make-every-reasonable-effort-to-bring-the--material
 11 into-compliance-with-subsection-(i)?**

Section 1. Section 13-35-301, MCA, is amended to read:
 "13-35-301. Adoption of code of fair campaign
 practices. The following code of fair campaign practices is
 adopted by Montana:

"There are basic principles of decency, honesty, and 16 fair play that every candidate for public office and every 17 officer of a political committee in the United States has a 18 moral obligation to observe and uphold, in order that, after 19 vigorously contested but fairly conducted campaigns, our 20 citizens may exercise their constitutional right to a free 21 and untrammeled choice and the will of the people may be 22 fully and clearly expressed on the issues before the 23 24 country. Therefore:

25 I will conduct my campaign in the best American

1 tradition, discussing the issues as I see them, presenting 2 my record and policies with sincerity and frankness, and 3 criticizing without fear or favor the record and policies of 4 my opponent and his my opponent's party which that merit 5 such criticism.

I will defend and uphold the right of every gualified
American voter to full and equal participation in the
electoral process.

9 I will conduct my campaign without the use of personal
10 vilification, character defamation, whispering campaigns,
11 libel, slander, or scurrilous attacks on my opposition
12 opponent or his my opponent's personal or family life.

I will not use campaign material of any sort which that
misrepresents, distorts, or otherwise falsifies the facts,
nor will I use malicious or unfounded accusations which that
aim at creating or exploiting doubts, without justification,
as to the loyalty and patriotism of my opposition.

18 I will not make any appeal to prejudice based on race,19 sex, creed, or national origin.

I will not undertake or condone any dishonest or unethical practice which <u>that</u> tends to corrupt or undermine our American system of free elections or which <u>that</u> hampers or prevents the full and free expression of the will of the voters.

25 Insofar as is possible, I will immediately and publicly

-4-

-3-

SB 176

repudiate support deriving from any individual or group which that resorts, on behalf of my candidacy or the position of my political committee or in opposition to that of my opponent or an opposing political committee, to the methods and tactics that I have pledged not to use or condone.""

7 Section 2. Section 13-35-302, MCA, is amended to read: ***13-35-302.** Candidates and officers of political B committees to be given opportunity to subscribe to campaign 9 practices code -- publicity. (1) The commissioner of 10 campaign political practices shall prepare a form which that 11 contains the code of fair campaign practices provided for in 12 13-35-301 and a place for a candidate or officer of a 13 political committee to sign the form and to indicate that 14 the candidate or officer endorses, subscribes to, and 15 pledges to abide by the code. 16

(2) Each candidate required to file statements or 17 reports with the commissioner and each officer of a 18 political committee registered under 13-37-201 shall must be 19 sent a copy of this form. Signing the form is voluntary, and 20 21 a failure or refusal to sign is not a violation of the 22 election laws. A form shall must be sent for each election as soon as feasible. The signed form shall must be returned 23 24 to the commissioner.

(3) The commissioner shall supply the secretary of

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-5-

SB 176

state, the county registrars, and the city and town clerks with forms. Any candidate or officer of a political committee not required to file with the commissioner but wishing to subscribe to the code may obtain the form from the commissioner, the secretary of state, a county registrar, or a city or town clerk and may sign the form and deliver it to the commissioner."

8 Section-5---Section-13-37-2097-MCAy-is-amended-to-read-9 #13-37-209---Inspection--of--records ----random--audits 10 required, (1) Accounts-kept-by-the-compaign-treasurer-of--a 11 candidate--or--political--committee--may--be-inspected-under 12 reasonable--circumstances--before;--during;--or--after---the 13 election--to--which--the--accounts--refer--by--the--campaign 14 treasurer--of--any-opposing-candidate-or-political-committee 15 in-the-same-electoral-district--The-right-of-inspection--may 16 be--enforced--by--appropriate--writ--issued--by-any-court-of 17 competent-jurisdiction--The-campaign-treasurers-of-political 18 committees-supporting-a-candidate-may--be--joined--with--the 19 campaign-treasurer-of-the-candidate-as-respondents-in-such-a 20 proceeding. 21 (2)--Por--each--election--at-which-there-are-one-or-more ballot -- measures; --- the --- commissioner --- shall --- audit --- the 22

23 statements;--records;--funds;--accounts;--and-reports-of-one
24 political-committee-working-on-an-initiative-ballot--measure

25 for-which-a-criminal-or-civil-action-for-a-violation-of-this

- 6 -

1	chapterisnotbarredbytheapplicablestatuteof
2	limitations-Theauditedcommitteemustbeselectedat
3	randomThecommissionershallconducttheauditto
4	determine-whether:
5	<u>tajexpenditures-have-been-made-only-in-furtheranceof</u>
6	authorizedactivitiesandinaccordancewith-applicable
7	tews;
8	(bjthe-committee-collected-and-accounted-properlyfor
9	all-revenues-and-receipts-arising-from-its-activities;-and
10	(c)allreportsandstatementsrequiredby-law-are
11	prepared-in-accordance-withapplicablelawsandstandard
12	principlesofaccounting-and-fully-disclose-the-nature-and
13	scope-of-the-activities-conducted-by-the-committee:
14	<u>(3)The-result-of-audits-conducted-underthissection</u>
15	mustbepublishedbythecommissionerin-written-audit
16	reports-The-reports-are-public-documents-and-mustbemade
17	availablebythecommissioner-to-any-member-of-the-public
10	upon-request.
19	<u>{4}There-isanauditfeeimposedontheaudited</u>
20	politicalcommitteeequalto-0:20-of-the-total-money-that
21	the-political-committee-spent-ontheinitiativecampaign-
22	ThefeeisdueuponcompletionoftheauditThe
23	commissioner-may-retain-the-fee-to-cover-the-audit-costsr"
24	Section 3. Section 13-37-216, MCA, is amended to read:
25	*13-37-216. Limitations on contributions. (1) Aggregate

contributions for all elections in a campaign by an
 individual, other than the candidate, to a candidate and
 political committees organized on his the candidate's behalf
 are limited as follows:

5 (a) for candidates filed jointly for the office of
6 governor and lieutenant governor, not to exceed \$1,500;

7 (b) for a candidate to be elected for state office in a
8 statewide election, other than the candidates for governor
9 and lieutenant governor, not to exceed \$750;

10 (c) for a candidate for public service commissioner, 11. district court judge, or state senator, not to exceed \$400; 12 and

13 (d) for a candidate for any other public office, not to14 exceed \$250.

15 (2) For the purposes of this subsection, an independent 16 committee means a committee which that is not specifically 17 organized on behalf of a particular candidate or which that 18 is not controlled either directly or indirectly by a 19 candidate or candidate's committee and which that does not 20 act jointly with a candidate or candidate's committee in 21 conjunction with the making of expenditures or accepting 22 contributions. For the purpose of limitation on contributions, political party organizations are independent 23 committees. Aggregate contributions by an independent 24 25 committee to a candidate and political committees organized

-7-

SB 176

-8-

SB 176

1 on his <u>a candidate's</u> behalf for all elections in a campaign 2 are limited as follows:

3 (a) for candidates filed jointly for the offices of
4 governor and lieutenant governor, not to exceed \$8,000;

5 (b) for a candidate to be elected for state office in a 6 statewide election, other than the candidates for governor 7 and lieutenant governor, not to exceed \$2,000;

8 (c) for a candidate for public service commissioner,
9 not to exceed \$1,000;

10 (d) for a candidate for the state senate, not to exceed
11 \$600;

12 (e) for a candidate for any other public office, not to13 exceed \$300.

14 (3) Aggregate contributions accepted from persons 15 residing or political committees organized outside of 16 Montana by a political committee organized in Montana to 17 support or oppose a Montana ballot issue may not exceed 49% 18 of total contributions to the political committee in Montana 19 in any reporting period.

20 (3)(4) The limitations imposed by this section do not 21 apply to public funds contributed to a candidate under part 22 3 of this chapter."

NBW-BBCTIONT--Section-7T--Codification-----instructionT
 (Section-1]-is-intended-to-be-codified-as-an--integral--part
 of-Title-13T-chapter-35T-part-2T-and-the-provisions-of-Title

-9-

1 137-chapter-357-apply-to-fsection-1;

<u>NEW SECTION.</u> Section 4. Severability. If a part of
[this act] is invalid, all valid parts that are severable
from the invalid part remain in effect. If a part of [this
act] is invalid in one or more of its applications, the part
remains in effect in all valid applications that are
severable from the invalid applications.

-End-