

SENATE BILL 205

Introduced by Fritz, et al.

1/19	Introduced
1/19	Referred to State Administration
1/19	First Reading
1/21	Fiscal Note Received (sic)
2/02	Hearing
2/02	Fiscal Note Requested (sic)
2/08	Committee Report--Bill Passed as Amended
2/09	Taken from 2nd Reading & Rereferred to Rules
2/18	Tabled in Committee
3/08	Fiscal Note Printed

1 *Sen. Bill No. 205*
 2 INTRODUCED BY *Sen. Aron*
 3 *B. Baumbach*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING CERTAIN
 5 CAMPAIGN CONTRIBUTION AND EXPENDITURE REPORTS FILED WITH THE
 6 COMMISSIONER OF POLITICAL PRACTICES TO BE ON COMPUTER
 7 SOFTWARE; PRESCRIBING THE POWERS AND DUTIES OF THE
 8 COMMISSIONER WITH RESPECT TO THOSE REPORTS; REQUIRING THE
 9 COMMISSIONER TO ADOPT RULES; PROVIDING FOR PUBLIC ACCESS TO
 10 REPORTS FILED ON COMPUTER SOFTWARE; REQUIRING THE FILING OF
 11 ORGANIZATIONAL STATEMENTS BY POLITICAL COMMITTEES AND THE
 12 PAYMENT OF FILING FEES; STATUTORILY APPROPRIATING THE FEES
 13 TO THE COMMISSIONER; PRESCRIBING THE POWERS AND DUTIES OF
 14 THE COMMISSIONER CONCERNING COMPUTER SOFTWARE; REQUIRING A
 15 REPORT TO THE LEGISLATURE; AND AMENDING SECTIONS 13-1-101,
 16 13-37-117, 13-37-119, 13-37-201, 13-37-229, 13-37-230, AND
 17 17-7-502, MCA."

18 STATEMENT OF INTENT

19
 20 A statement of intent is required for this bill because
 21 13-37-117(4) requires the commissioner of political
 22 practices to prescribe by rule the type and form of computer
 23 software on which certain campaign financing reports will be
 24 filed. The commissioner shall adopt rules requiring, among
 25 other things, that the software be compatible with the

1 software used by the state bulletin board system or, if that
 2 system is ever discontinued, that the software, in the
 3 commissioner's judgment, be compatible with the software
 4 used for the widest dissemination of campaign and election
 5 finance reporting.
 6

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

8 Section 1. Section 13-1-101, MCA, is amended to read:

9 "13-1-101. Definitions. As used in this title, unless
 10 the context clearly indicates otherwise, the following
 11 definitions apply:

12 (1) "Anything of value" means any goods that have a
 13 certain utility to the recipient that is real and that is
 14 ordinarily not given away free but is purchased.

15 (2) "Candidate" means:

16 (a) an individual who has filed a declaration or
 17 petition for nomination, acceptance of nomination or
 18 appointment as a candidate for public office as required by
 19 law;

20 (b) for the purposes of chapters 35, 36, or 37, an
 21 individual who has solicited or received and retained
 22 contributions, made expenditures, or given consent to an
 23 individual, organization, political party, or committee to
 24 solicit or receive and retain contributions or make
 25 expenditures on his the individual's behalf to secure

1 nomination or election to any office at any time, whether or
2 not the office for which the individual will seek nomination
3 or election is known when the:

4 (i) solicitation is made;

5 (ii) contribution is received and retained; or

6 (iii) expenditure is made; and

7 (c) an officeholder who is the subject of a recall
8 election.

9 (3) "Computer software" means a set of computer
10 programs, procedures, and associated documentation concerned
11 with the operation of a computer system.

12 ~~(3)~~(4) (a) "Contribution" means:

13 (i) an advance, gift, loan, conveyance, deposit,
14 payment, or distribution of money or anything of value to
15 influence an election;

16 (ii) a transfer of funds between political committees;

17 (iii) the payment by a person other than a candidate or
18 political committee of compensation for the personal
19 services of another person that are rendered to a candidate
20 or political committee.

21 (b) "Contribution" does not mean:

22 (i) services provided without compensation by
23 individuals volunteering a portion or all of their time on
24 behalf of a candidate or political committee or meals and
25 lodging provided by individuals in their private residence

1 for a candidate or other individual;

2 (ii) the cost of any bona fide news story, commentary,
3 or editorial distributed through the facilities of any
4 broadcasting station, newspaper, magazine, or other
5 periodical publication of general circulation;

6 (iii) the cost of any communication by any membership
7 organization or corporation to its members or stockholders
8 or employees, ~~so as~~ long as such the organization is not a
9 primary political committee; or

10 (iv) filing fees paid by the candidate.

11 ~~(4)~~(5) "Election" means a general, special, or primary
12 election held pursuant to the requirements of state law,
13 regardless of the time ~~and/or~~ or purpose.

14 ~~(5)~~(6) "Election administrator" means the county clerk
15 and recorder or the individual designated by a county
16 governing body to be responsible for all election
17 administration duties, except that with regard to school
18 elections, the term means the school district clerk.

19 ~~(6)~~(7) "Elector" means an individual qualified and
20 registered to vote under state law.

21 ~~(7)~~(8) (a) "Expenditure" means a purchase, payment,
22 distribution, loan, advance, promise, pledge, or gift of
23 money or anything of value made for the purpose of
24 influencing the results of an election.

25 (b) "Expenditure" does not mean:

(i) services, food, or lodging provided in a manner that they are not contributions under subsection ~~(3)~~ (4);

(ii) payments by a candidate for ~~his~~ the candidate's filing fee or for personal travel expenses, food, clothing, lodging, or personal necessities for ~~himself~~ the candidate and ~~his~~ the candidate's family;

(iii) the cost of any bona fide news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication of general circulation; or

(iv) the cost of any communication by any membership organization or corporation to its members or stockholders or employees, so as long as such the organization is not a primary political committee.

~~(8)~~(9) "General election" means an election held for the election of public officers throughout the state at times specified by law, including elections for officers of political subdivisions when the time of the election is set on the same date for all similar political subdivisions in the state. For ballot issues required by Article III, section 6, or Article XIV, section 8, of the Montana constitution to be submitted by the legislature to the electors at a general election, "general election" means an election held at the time provided in 13-1-104(1).

~~(9)~~(10) "Individual" means a human being.

~~(10)~~(11) "Issue" or "ballot issue" means a proposal submitted to the people at an election for their approval or rejection, including but not limited to initiatives, referenda, proposed constitutional amendments, recall questions, school levy questions, bond issue questions, or a ballot question. For the purposes of chapters 35, 36, or 37, an issue becomes a "ballot issue" upon certification by the proper official that the legal procedure necessary for its qualification and placement upon the ballot has been completed, except that a statewide issue becomes an "issue" upon approval by the secretary of state of the form of the petition or referral.

~~(11)~~(12) "Person" means an individual, corporation, association, firm, partnership, cooperative, committee, club, union, or other organization or group of individuals or a candidate as defined in subsection (2) ~~of this section~~.

~~(12)~~(13) "Political committee" means a combination of two or more individuals or a person other than an individual who makes a contribution or expenditure:

(a) to support or oppose a candidate or a committee organized to support or oppose a candidate or a petition for nomination; or

(b) to support or oppose a ballot issue or a committee organized to support or oppose a ballot issue; or

(c) as an earmarked contribution.

~~{13}~~(14) "Political subdivision" means a county, consolidated municipal-county government, municipality, special district, or any other unit of government, except school districts, having authority to hold an election for officers or on a ballot issue.

~~{14}~~(15) "Primary" or "primary election" means an election held throughout the state to nominate candidates for public office at times specified by law, including nominations of candidates for offices of political subdivisions when the time for such nominations is set on the same date for all similar subdivisions in the state.

~~{15}~~(16) "Public office" means a state, county, municipal, school, or other district office that is filled by the people at an election.

~~{16}~~(17) "Registrar" means the county election administrator and any regularly appointed deputy or assistant election administrator.

~~{17}~~(18) "Special election" means an election other than a statutorily scheduled primary or general election held at any time for any purpose provided by law. It may be held in conjunction with a statutorily scheduled election.

~~{18}~~(19) "Voting machine or device" means any equipment used to record, tabulate, or in any manner process the vote of an elector."

Section 2. Section 13-37-117, MCA, is amended to read:

"13-37-117. Commissioner to provide forms and manuals and prescribe software. (1) The commissioner shall prescribe forms for statements and other information required to be filed pursuant to chapters 35, 36, or 37 of this title and furnish forms and appropriate information to persons required to file statements and information.

(2) The commissioner shall prepare and publish a manual prescribing a uniform system for accounts for use by persons required to file statements pursuant to chapters 35, 36, or 37 of this title.

(3) The commissioner shall prescribe the manner in which the county clerk and recorders shall receive, file, collate, and maintain reports filed with them under chapters 35, 36, or 37 of this title.

(4) The commissioner shall prescribe by rule the type and form of computer software to be used for reports required by this chapter to be filed with the commissioner on computer software."

Section 3. Section 13-37-119, MCA, is amended to read:

"13-37-119. Availability of information -- public access to computer filings. (1) The commissioner shall make statements and other information filed with his the commissioner's office available for public inspection and copying during regular office hours and make copying facilities available free of charge or at a charge not to

1 exceed actual cost.

2 (2) The commissioner shall preserve statements and
3 other information filed with ~~his~~ the commissioner's office
4 for a period of 10 years from date of receipt.

5 (3) The commissioner shall prepare and publish
6 summaries of the statements received and such other reports
7 as ~~he~~ the commissioner considers appropriate.

8 (4) The commissioner shall provide for wide public
9 dissemination of summaries and reports.

10 (5) The commissioner shall provide public access to any
11 reports required by this chapter to be filed on computer
12 software by making available in the office of the
13 commissioner a computer terminal and printer dedicated
14 exclusively for public use. The computer software and
15 terminal used by the commissioner must also allow for remote
16 access by modem to the reports required to be filed by
17 computer software.

18 (6) The computer software used by the terminal required
19 by subsection (5) must provide maximum public access to
20 reports filed on computer software, both in ease of use and
21 in flexibility, and must provide for comparative analysis of
22 the kinds of data available in the reports and for search
23 and compilation of that data in categories, such as the name
24 of the candidate or political committee, the amount of the
25 expenditure or contribution, the name of the person making

1 the contribution, and other categories relevant to public
2 awareness of campaign contribution and expenditure
3 reporting.

4 (7) The commissioner shall make reports filed by
5 computer software accessible to the public in the manner
6 required by subsection (6) by participation in the
7 electronic bulletin board established by the department of
8 administration under 2-17-322.

9 (8) The commissioner shall, as soon as possible
10 following each reporting period, prepare and publish a
11 report listing the source of contributions to each candidate
12 for statewide office and state district office as described
13 in 13-37-226. For each candidate, the report must list each
14 contributor by name and contain the contributor's address,
15 the contributor's occupation, the amount contributed, and
16 the date of contribution."

17 **Section 4.** Section 13-37-201, MCA, is amended to read:

18 "13-37-201. Campaign treasurer -- political committee
19 organizational statement -- filing fee. (1) Except as
20 provided in 13-37-206, each candidate and each political
21 committee shall appoint one campaign treasurer and certify
22 the full name and complete address of the campaign treasurer
23 pursuant to this section. A candidate shall file the
24 certification within 5 days after becoming a candidate. A
25 political committee shall file the certification, which

1 ~~shall~~ must include an organizational statement and set forth
2 the name and address of all other officers, if any, within 5
3 days after it makes an expenditure or authorizes another
4 person to make an expenditure on its behalf, whichever
5 occurs first.

6 (2) In addition to the certifications and the
7 organizational statement required by subsection (1), a
8 political committee shall also file a certification and
9 organizational statement by January 31 of any even-numbered
10 year in which it plans to make an expenditure or accept a
11 contribution, or the committee may authorize another person
12 to do so on its behalf.

13 (3) The certification of a candidate or political
14 committee shall must be filed with the commissioner and the
15 appropriate election administrator as specified for the
16 filing of reports in 13-37-225.

17 (4) Upon filing the certifications and the
18 organizational statement required by subsection (1) or (2),
19 the political committee shall pay to the commissioner a
20 registration fee of \$100. The fee must be deposited in an
21 account in the state special revenue fund for use by the
22 commissioner in administering the provisions of this
23 chapter. The money in the account is statutorily
24 appropriated, as provided in 17-7-502, to the commissioner."

25 **Section 5.** Section 13-37-229, MCA, is amended to read:

1 "13-37-229. Disclosure of contributions received. (1)
2 Each report required by this chapter shall must disclose the
3 following information:

4 ~~(1)(a)~~ (a) the amount of cash on hand at the beginning of
5 the reporting period;

6 ~~(2)(b)~~ (b) the full name, mailing address, occupation, and
7 employer, if any, of each person who has made aggregate
8 contributions, other than loans, of \$35 or more to a
9 candidate or political committee (including the purchase of
10 tickets and other items for events, such as dinners,
11 luncheons, rallies, and similar fundraising events) and the
12 date of each contribution;

13 ~~(3)(c)~~ (c) for each person identified under subsection ~~(2)~~
14 ~~(1)(b)~~ (1)(b), the aggregate amount of contributions made by that
15 person within the reporting period and the total amount of
16 contributions made by that person for all reporting periods;

17 ~~(4)(d)~~ (d) the total sum of individual contributions made
18 to or for a political committee or candidate and not
19 reported under subsections ~~(2)~~ (1)(b) and ~~(3)~~ (1)(c) ~~of this~~
20 ~~section;~~

21 ~~(5)(e)~~ (e) the name and address of each political committee
22 or candidate from which the reporting committee or candidate
23 received any transfer of funds, together with the amount and
24 dates of all transfers;

25 ~~(6)(f)~~ (f) each loan from any person during the reporting

period, together with the full names, mailing addresses, occupations, and employers, if any, of the lender and endorsers, if any, and the date and amount of each loan;

{7}(g) the amount and nature of debts and obligations owed to a political committee or candidate, in the form prescribed by the commissioner;

{8}(h) an itemized account of proceeds that total less than \$35 from a person from mass collections made at fundraising events;

{9}(i) each contribution, rebate, refund, or other receipt not otherwise listed under subsections {2} (1)(b) through {8} (1)(h) of--this--section during the reporting period;

{10}(j) the total sum of all receipts received by or for the committee or candidate during the reporting period; and

{11}(k) other information that may be required by the commissioner to fully disclose the sources of funds used to support or oppose candidates or issues.

(2) If contributions of \$500 or more are received by a political committee or candidate, the contents of the report required by this section must be filed both in a paper format on forms specified or provided by the commissioner and on computer software prescribed by the commissioner under 13-37-117(4).

(3) A political committee, candidate, or principal may apply in writing to the commissioner for a waiver of the computer software filing requirement, based upon hardship."

Section 6. Section 13-37-230, MCA, is amended to read:

"13-37-230. Disclosure of expenditures made. (1) Each report required by this chapter ~~shall~~ must disclose the following information, except that a candidate shall only be required to report the information specified in this section if the transactions involved were undertaken for the purpose of influencing an election:

{1}(a) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom expenditures have been made by the committee or candidate during the reporting period, including the amount, date, and purpose of each expenditure and the total amount of expenditures made to each person;

{2}(b) the full name and mailing addresses (occupation and the principal place of business, if any) of each person to whom an expenditure for personal services, salaries, and reimbursed expenses have been made, including the amount, date, and purpose of that expenditure and the total amount of expenditures made to each person;

{3}(c) the total sum of expenditures made by a political committee or candidate during the reporting period;

1 †4†(d) the name and address of each political committee
2 or candidate to which the reporting committee or candidate
3 made any transfer of funds, together with the amount and
4 dates of all transfers;

5 †5†(e) the name of any person to whom a loan was made
6 during the reporting period, including the full name and
7 mailing address (occupation and principal place of business,
8 if any) of that person, and the full name and mailing
9 address (occupation and principal place of business, if any)
10 of the endorsers, if any, and the date and amount of each
11 loan;

12 †6†(f) the amount and nature of debts and obligations
13 owed by a political committee or candidate in the form
14 prescribed by the commissioner;

15 †7†(g) other information that may be required by the
16 commissioner to fully disclose the disposition of funds used
17 to support or oppose candidates or issues.

18 (2) If expenditures of \$500 or more are made by a
19 political committee or candidate, the contents of the report
20 required by this section must be filed both in a paper
21 format on forms specified or provided by the commissioner
22 and on computer software prescribed by the commissioner
23 under 13-37-117(4).

24 (3) A political committee, candidate, or principal may
25 apply in writing to the commissioner for a waiver of the

1 computer software filing requirement, based upon hardship."

2 **Section 7.** Section 17-7-502, MCA, is amended to read:

3 **"17-7-502. Statutory appropriations -- definition --**
4 **requisites for validity.** (1) A statutory appropriation is an
5 appropriation made by permanent law that authorizes spending
6 by a state agency without the need for a biennial
7 legislative appropriation or budget amendment.

8 (2) Except as provided in subsection (4), to be
9 effective, a statutory appropriation must comply with both
10 of the following provisions:

11 (a) The law containing the statutory authority must be
12 listed in subsection (3).

13 (b) The law or portion of the law making a statutory
14 appropriation must specifically state that a statutory
15 appropriation is made as provided in this section.

16 (3) The following laws are the only laws containing
17 statutory appropriations: 2-9-202; 2-17-105; 2-18-812;
18 10-3-203; 10-3-312; 10-3-314; 10-4-301; 13-37-201;
19 13-37-304; 15-1-111; 15-23-706; 15-25-123; 15-31-702;
20 15-36-112; 15-37-117; 15-65-121; 15-70-101; 16-1-404;
21 16-1-410; 16-1-411; 17-3-212; 17-5-404; 17-5-424; 17-5-704;
22 17-5-804; 17-6-409; 17-7-304; 19-5-404; 19-6-709; 19-8-504;
23 19-9-702; 19-9-1007; 19-10-205; 19-10-305; 19-10-506;
24 19-11-512; 19-11-513; 19-11-606; 19-12-301; 19-13-604;
25 19-15-101; 20-4-109; 20-6-406; 20-8-111; 20-9-361;

1 20-26-1503; 22-3-811; 23-5-136; 23-5-306; 23-5-409;
 2 23-5-610; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 27-12-206;
 3 37-43-204; 37-51-501; 39-71-2504; 44-12-206; 44-13-102;
 4 53-6-150; 53-24-206; 61-5-121; 67-3-205; 75-1-1101;
 5 75-5-507; 75-5-1108; 75-11-313; 76-12-123; 77-1-808;
 6 80-2-103; 80-11-310; 82-11-136; 82-11-161; 85-1-220;
 7 90-3-301; 90-4-215; 90-6-331; 90-7-220; and 90-9-306.

8 (4) There is a statutory appropriation to pay the
 9 principal, interest, premiums, and costs of issuing, paying,
 10 and securing all bonds, notes, or other obligations, as due,
 11 that have been authorized and issued pursuant to the laws of
 12 Montana. Agencies that have entered into agreements
 13 authorized by the laws of Montana to pay the state
 14 treasurer, for deposit in accordance with 17-2-101 through
 15 17-2-107, as determined by the state treasurer, an amount
 16 sufficient to pay the principal and interest as due on the
 17 bonds or notes have statutory appropriation authority for
 18 the payments. (In subsection (3): pursuant to sec. 7, Ch.
 19 567, L. 1991, the inclusion of 19-6-709 terminates upon
 20 death of last recipient eligible for supplemental benefit;
 21 and pursuant to sec. 18, Ch. 748, L. 1991, the inclusion of
 22 22-3-811 terminates June 30, 1993.)"

23 NEW SECTION. Section 8. Commissioner to transfer
 24 contents of reports to software. The commissioner of
 25 political practices shall, by March 1, 1994, transfer from

1 the paper version of reports received under Title 13,
 2 chapter 37, to computer software all of the data and
 3 information contained in those reports and make the data and
 4 information accessible to the public in accordance with
 5 13-37-119.

6 NEW SECTION. Section 9. Commissioner and state library
 7 to study accessibility of reports through library -- report
 8 to legislature. The commissioner of political practices and
 9 the state librarian shall jointly study and determine the
 10 need for a computer terminal or terminals located at the
 11 state library to be used for the purpose of providing public
 12 access to the computer software version of reports received
 13 under Title 13, chapter 37. The commissioner and the
 14 librarian shall report their findings and recommendations in
 15 writing to the 54th legislature by January 1, 1995.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0205, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: Requires certain campaign contribution and expenditure reports filed with the Commissioner of Political Practices (Commissioner) to be on computer software; requiring the Commissioner to adopt rules; providing for public access to reports filed on computer software; requiring the payment of filing fees by political committees and statutorily appropriating the fees to the Commissioner.

ASSUMPTIONS:

1. Implementation and management of the computerized reporting system will require the addition of 0.75 FTE Grade 11 in the Commissioner's office. A dual manual data entry/electronic reporting system will be necessary because about 50% of the political committees will opt to retain the current hard copy reporting system.
2. Contracted services for system design, software development, technical assistance and training will be necessary with most of the expense, other than continuing support, in FY94.
3. Additional equipment will be necessary for a new computer, printer, modem and telephone line.
4. The estimated total fees charged to political committees will be received during the primary election period in FY94. The excess of estimated expenses above total fees will be supported by general fund.

FISCAL IMPACT: Commissioner of Political Practices:

	FY '94			FY '95		
<u>Expenditures:</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
FTE	3.25	4.00	0.75	3.25	4.00	0.75
Personal Services	97,697	115,297	17,600	98,021	115,621	17,600
Operating Expenses	31,315	43,650	12,335	29,135	33,565	4,430
Equipment	1,525	5,725	4,200	1,564	1,764	200
Debt Service	232	232	0	0	0	0
Total	130,769	164,904	34,135	128,720	150,950	22,230
<u>Funding:</u>						
General Fund	130,769	149,904	19,135	128,720	150,950	22,230
State Special Revenue	0	15,000	15,000	0	0	0
Total	130,769	164,904	34,135	128,720	150,950	22,230
<u>Revenues:</u>						
State Special Revenue (reg.fees)	0	15,000	15,000	0	0	0
Net Impact to General Fund			(19,135)			(22,230)

David Lewis 2-17-93

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

HARRY FRITZ, PRIMARY SPONSOR

DATE

Fiscal Note for SB0205, as introduced **SB205**

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

SENATE BILL NO. 205

INTRODUCED BY FRITZ, DAVIS, BARNHART, KADAS, SWANSON

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING CERTAIN CAMPAIGN CONTRIBUTION AND EXPENDITURE REPORTS FILED WITH THE COMMISSIONER OF POLITICAL PRACTICES TO BE ON COMPUTER SOFTWARE; PRESCRIBING THE POWERS AND DUTIES OF THE COMMISSIONER WITH RESPECT TO THOSE REPORTS; REQUIRING THE COMMISSIONER TO ADOPT RULES; PROVIDING FOR PUBLIC ACCESS TO REPORTS FILED ON COMPUTER SOFTWARE; REQUIRING THE FILING OF ORGANIZATIONAL STATEMENTS BY POLITICAL COMMITTEES AND THE PAYMENT OF FILING FEES; STATUTORILY APPROPRIATING THE FEES TO THE COMMISSIONER; PRESCRIBING THE POWERS AND DUTIES OF THE COMMISSIONER CONCERNING COMPUTER SOFTWARE; REQUIRING A REPORT TO THE LEGISLATURE; AND AMENDING SECTIONS 13-1-101, 13-37-117, 13-37-119, 13-37-201, 13-37-229, 13-37-230, AND 17-7-502, MCA."

STATEMENT OF INTENT

A statement of intent is required for this bill because 13-37-117(4) requires the commissioner of political practices to prescribe by rule the type and form of computer software on which certain campaign financing reports will be filed. The commissioner shall adopt rules requiring, among other things, that the software be compatible with the

software used by the state bulletin board system or, if that system is ever discontinued, that the software, in the commissioner's judgment, be compatible with the software used for the widest dissemination of campaign and election finance reporting.

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

Section 1. Section 13-1-101, MCA, is amended to read:

"13-1-101. **Definitions.** As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "Anything of value" means any goods that have a certain utility to the recipient that is real and that is ordinarily not given away free but is purchased.

(2) "Candidate" means:

(a) an individual who has filed a declaration or petition for nomination, acceptance of nomination or appointment as a candidate for public office as required by law;

(b) for the purposes of chapters 35, 36, or 37, an individual who has solicited or received and retained contributions, made expenditures, or given consent to an individual, organization, political party, or committee to solicit or receive and retain contributions or make expenditures on his the individual's behalf to secure

1 nomination or election to any office at any time, whether or
2 not the office for which the individual will seek nomination
3 or election is known when the:

4 (i) solicitation is made;

5 (ii) contribution is received and retained; or

6 (iii) expenditure is made; and

7 (c) an officeholder who is the subject of a recall
8 election.

9 (3) "Computer software" means a set of computer
10 programs, procedures, and associated documentation concerned
11 with the operation of a computer system.

12 ~~†3†~~(4) (a) "Contribution" means:

13 (i) an advance, gift, loan, conveyance, deposit,
14 payment, or distribution of money or anything of value to
15 influence an election;

16 (ii) a transfer of funds between political committees;

17 (iii) the payment by a person other than a candidate or
18 political committee of compensation for the personal
19 services of another person that are rendered to a candidate
20 or political committee.

21 (b) "Contribution" does not mean:

22 (i) services provided without compensation by
23 individuals volunteering a portion or all of their time on
24 behalf of a candidate or political committee or meals and
25 lodging provided by individuals in their private residence

1 for a candidate or other individual;

2 (ii) the cost of any bona fide news story, commentary,
3 or editorial distributed through the facilities of any
4 broadcasting station, newspaper, magazine, or other
5 periodical publication of general circulation;

6 (iii) the cost of any communication by any membership
7 organization or corporation to its members or stockholders
8 or employees, ~~so~~ as long as such the organization is not a
9 primary political committee; or

10 (iv) filing fees paid by the candidate.

11 ~~†4†~~(5) "Election" means a general, special, or primary
12 election held pursuant to the requirements of state law,
13 regardless of the time ~~and/or~~ or purpose.

14 ~~†5†~~(6) "Election administrator" means the county clerk
15 and recorder or the individual designated by a county
16 governing body to be responsible for all election
17 administration duties, except that with regard to school
18 elections, the term means the school district clerk.

19 ~~†6†~~(7) "Elector" means an individual qualified and
20 registered to vote under state law.

21 ~~†7†~~(8) (a) "Expenditure" means a purchase, payment,
22 distribution, loan, advance, promise, pledge, or gift of
23 money or anything of value made for the purpose of
24 influencing the results of an election.

25 (b) "Expenditure" does not mean:

(i) services, food, or lodging provided in a manner that they are not contributions under subsection ~~†3†~~ (4);

(ii) payments by a candidate for ~~his~~ the candidate's filing fee or for personal travel expenses, food, clothing, lodging, or personal necessities for ~~himself~~ the candidate and ~~his~~ the candidate's family;

(iii) the cost of any bona fide news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication of general circulation; or

(iv) the cost of any communication by any membership organization or corporation to its members or stockholders or employees, ~~so as~~ as long as ~~such~~ the organization is not a primary political committee.

~~†8†~~(9) "General election" means an election held for the election of public officers throughout the state at times specified by law, including elections for officers of political subdivisions when the time of the election is set on the same date for all similar political subdivisions in the state. For ballot issues required by Article III, section 6, or Article XIV, section 8, of the Montana constitution to be submitted by the legislature to the electors at a general election, "general election" means an election held at the time provided in 13-1-104(1).

~~†9†~~(10) "Individual" means a human being.

~~†10†~~(11) "Issue" or "ballot issue" means a proposal submitted to the people at an election for their approval or rejection, including but not limited to initiatives, referenda, proposed constitutional amendments, recall questions, school levy questions, bond issue questions, or a ballot question. For the purposes of chapters 35, 36, or 37, an issue becomes a "ballot issue" upon certification by the proper official that the legal procedure necessary for its qualification and placement upon the ballot has been completed, except that a statewide issue becomes an "issue" upon approval by the secretary of state of the form of the petition or referral.

~~†11†~~(12) "Person" means an individual, corporation, association, firm, partnership, cooperative, committee, club, union, or other organization or group of individuals or a candidate as defined in subsection (2) ~~of this section~~.

~~†12†~~(13) "Political committee" means a combination of two or more individuals or a person other than an individual who makes a contribution or expenditure:

(a) to support or oppose a candidate or a committee organized to support or oppose a candidate or a petition for nomination; or

(b) to support or oppose a ballot issue or a committee organized to support or oppose a ballot issue; or

(c) as an earmarked contribution.

1 ~~{13}~~{14} "Political subdivision" means a county,
2 consolidated municipal-county government, municipality,
3 special district, or any other unit of government, except
4 school districts, having authority to hold an election for
5 officers or on a ballot issue.

6 ~~{14}~~{15} "Primary" or "primary election" means an
7 election held throughout the state to nominate candidates
8 for public office at times specified by law, including
9 nominations of candidates for offices of political
10 subdivisions when the time for such nominations is set on
11 the same date for all similar subdivisions in the state.

12 ~~{15}~~{16} "Public office" means a state, county,
13 municipal, school, or other district office that is filled
14 by the people at an election.

15 ~~{16}~~{17} "Registrar" means the county election
16 administrator and any regularly appointed deputy or
17 assistant election administrator.

18 ~~{17}~~{18} "Special election" means an election other than
19 a statutorily scheduled primary or general election held at
20 any time for any purpose provided by law. It may be held in
21 conjunction with a statutorily scheduled election.

22 ~~{18}~~{19} "Voting machine or device" means any equipment
23 used to record, tabulate, or in any manner process the vote
24 of an elector."

25 **Section 2.** Section 13-37-117, MCA, is amended to read:

1 "13-37-117. Commissioner to provide forms and manuals
2 and prescribe software. (1) The commissioner shall prescribe
3 forms for statements and other information required to be
4 filed pursuant to chapters 35, 36, or 37 of this title and
5 furnish forms and appropriate information to persons
6 required to file statements and information.

7 (2) The commissioner shall prepare and publish a manual
8 prescribing a uniform system for accounts for use by persons
9 required to file statements pursuant to chapters 35, 36, or
10 37 of this title.

11 (3) The commissioner shall prescribe the manner in
12 which the county clerk and recorders shall receive, file,
13 collate, and maintain reports filed with them under chapters
14 35, 36, or 37 of this title.

15 (4) The commissioner shall CONSULT WITH THE DEPARTMENT
16 OF ADMINISTRATION CONCERNING THE TYPE OF SOFTWARE TO BE
17 REQUIRED BY THE COMMISSIONER AND prescribe by rule the type
18 and form of computer software to be used for reports
19 required by this chapter to be filed with the commissioner
20 on computer software."

21 **Section 3.** Section 13-37-119, MCA, is amended to read:

22 "13-37-119. Availability of information -- public
23 access to computer filings. (1) The commissioner shall make
24 statements and other information filed with his the
25 commissioner's office available for public inspection and

1 copying during regular office hours and make copying
2 facilities available free of charge or at a charge not to
3 exceed actual cost.

4 (2) The commissioner shall preserve statements and
5 other information filed with his the commissioner's office
6 for a period of 10 years from date of receipt.

7 (3) The commissioner shall prepare and publish
8 summaries of the statements received and such other reports
9 as he the commissioner considers appropriate.

10 (4) The commissioner shall provide for wide public
11 dissemination of summaries and reports.

12 (5) The commissioner shall provide public access to any
13 reports required by this chapter to be filed on computer
14 software by making available in the office of the
15 commissioner a computer terminal and printer dedicated
16 exclusively for public use. The computer software and
17 terminal used by the commissioner must also allow for remote
18 access by modem to the reports required to be filed by
19 computer software.

20 (6) The computer software used by the terminal required
21 by subsection (5) must provide maximum public access to
22 reports filed on computer software, both in ease-of-use and
23 in flexibility, and must provide for comparative analysis of
24 the kinds of data available in the reports and for search
25 and compilation of that data in. THE SOFTWARE MUST BE EASY

1 TO USE AND MUST ALLOW SEARCHING OF DATA BY PARTICULAR
2 categories, such as the name of the candidate or political
3 committee, the amount of the expenditure or contribution,
4 the name of the person making the contribution, and other
5 categories relevant to public awareness of campaign
6 contribution and expenditure reporting.

7 ~~{7}--The---commissioner---shall---make---reports---filed---by~~
8 ~~computer software accessible to the public in the manner~~
9 ~~required---by---subsection---(6)---by---participation---in---the~~
10 ~~electronic bulletin board established by the department of~~
11 ~~administration under 2-17-922.~~

12 {8}(7) The commissioner shall, as soon as possible
13 following each reporting period, prepare and publish a
14 report listing the source of contributions to each candidate
15 for statewide office and state district office as described
16 in 13-37-226. For each candidate, the report must list each
17 contributor by name and contain the contributor's address,
18 the contributor's occupation, the amount contributed, and
19 the date of contribution."

20 **Section 4.** Section 13-37-201, MCA, is amended to read:

21 "13-37-201. Campaign treasurer -- political committee
22 organizational statement -- filing fee. (1) Except as
23 provided in 13-37-206, each candidate and each political
24 committee shall appoint one campaign treasurer and certify
25 the full name and complete address of the campaign treasurer

pursuant to this section. A candidate shall file the certification within 5 days after becoming a candidate. A political committee shall file the certification, which ~~shall~~ must include an organizational statement and set forth the name and address of all other officers, if any, within 5 days after it makes an expenditure or authorizes another person to make an expenditure on its behalf, whichever occurs first.

(2) In addition to the certifications and the organizational statement required by subsection (1), a political committee shall also file a certification and organizational statement by January 31 of any even-numbered year in which it plans to make an expenditure or accept a contribution, or the committee may authorize another person to do so on its behalf.

(3) The certification of a candidate or political committee shall must be filed with the commissioner and the appropriate election administrator as specified for the filing of reports in 13-37-225.

(4) Upon filing the certifications and the organizational statement required by subsection (1) or (2), the political committee shall pay to the commissioner a registration fee of \$100. The fee must be deposited in an account in the state special revenue fund for use by the commissioner in administering the provisions of this

chapter. The money in the account is statutorily appropriated, as provided in 17-7-502, to the commissioner."

Section 5. Section 13-37-229, MCA, is amended to read:

"13-37-229. Disclosure of contributions received. (1)

Each report required by this chapter ~~shall~~ must disclose the following information:

~~(1)(a)~~ (a) the amount of cash on hand at the beginning of the reporting period;

~~(2)(b)~~ (b) the full name, mailing address, occupation, and employer, if any, of each person who has made aggregate contributions, other than loans, of \$35 or more to a candidate or political committee (including the purchase of tickets and other items for events, such as dinners, luncheons, rallies, and similar fundraising events) and the date of each contribution;

~~(3)(c)~~ (c) for each person identified under subsection ~~(2)~~ (1)(b), the aggregate amount of contributions made by that person within the reporting period and the total amount of contributions made by that person for all reporting periods;

~~(4)(d)~~ (d) the total sum of individual contributions made to or for a political committee or candidate and not reported under subsections ~~(2)~~ (1)(b) and ~~(3)~~ (1)(c) ~~of this section;~~

~~(5)(e)~~ (e) the name and address of each political committee or candidate from which the reporting committee or candidate

received any transfer of funds, together with the amount and dates of all transfers;

{6}{f} each loan from any person during the reporting period, together with the full names, mailing addresses, occupations, and employers, if any, of the lender and endorsers, if any, and the date and amount of each loan;

{7}{g} the amount and nature of debts and obligations owed to a political committee or candidate, in the form prescribed by the commissioner;

{8}{h} an itemized account of proceeds that total less than \$35 from a person from mass collections made at fundraising events;

{9}{i} each contribution, rebate, refund, or other receipt not otherwise listed under subsections {2} (1)(b) through {8} (1)(h) of--this--section during the reporting period;

{10}{j} the total sum of all receipts received by or for the committee or candidate during the reporting period; and

{11}{k} other information that may be required by the commissioner to fully disclose the sources of funds used to support or oppose candidates or issues.

(2) If contributions of \$500 or more are received by a political committee or candidate, the contents of the report required by this section must be filed both in a paper

format on forms specified or provided by the commissioner and on computer software prescribed by the commissioner under 13-37-117(4).

(3) A political committee, candidate, or principal may apply in writing to the commissioner for a waiver of the computer software filing requirement, based upon hardship."

Section 6. Section 13-37-230, MCA, is amended to read:

"13-37-230. **Disclosure of expenditures made.** (1) Each report required by this chapter ~~shall~~ must disclose the following information, except that a candidate shall only be required to report the information specified in this section if the transactions involved were undertaken for the purpose of influencing an election:

{1}{a} the full name and mailing address (occupation and the principal place of business, if any) of each person to whom expenditures have been made by the committee or candidate during the reporting period, including the amount, date, and purpose of each expenditure and the total amount of expenditures made to each person;

{2}{b} the full name and mailing addresses (occupation and the principal place of business, if any) of each person to whom an expenditure for personal services, salaries, and reimbursed expenses have been made, including the amount, date, and purpose of that expenditure and the total amount of expenditures made to each person;

1 †3†(c) the total sum of expenditures made by a
2 political committee or candidate during the reporting
3 period;

4 †4†(d) the name and address of each political committee
5 or candidate to which the reporting committee or candidate
6 made any transfer of funds, together with the amount and
7 dates of all transfers;

8 †5†(e) the name of any person to whom a loan was made
9 during the reporting period, including the full name and
10 mailing address (occupation and principal place of business,
11 if any) of that person, and the full name and mailing
12 address (occupation and principal place of business, if any)
13 of the endorers, if any, and the date and amount of each
14 loan;

15 †6†(f) the amount and nature of debts and obligations
16 owed by a political committee or candidate in the form
17 prescribed by the commissioner;

18 †7†(g) other information that may be required by the
19 commissioner to fully disclose the disposition of funds used
20 to support or oppose candidates or issues.

21 †2† If expenditures of \$500 or more are made by a
22 political committee or candidate, the contents of the report
23 required by this section must be filed both in a paper
24 format on forms specified or provided by the commissioner
25 and on computer software prescribed by the commissioner

1 under 13-37-117(4).

2 †3† A political committee, candidate, or principal may
3 apply in writing to the commissioner for a waiver of the
4 computer software filing requirement, based upon hardship."

5 **Section 7.** Section 17-7-502, MCA, is amended to read:

6 "17-7-502. Statutory appropriations -- definition --
7 requisites for validity. (1) A statutory appropriation is an
8 appropriation made by permanent law that authorizes spending
9 by a state agency without the need for a biennial
10 legislative appropriation or budget amendment.

11 (2) Except as provided in subsection (4), to be
12 effective, a statutory appropriation must comply with both
13 of the following provisions:

14 (a) The law containing the statutory authority must be
15 listed in subsection (3).

16 (b) The law or portion of the law making a statutory
17 appropriation must specifically state that a statutory
18 appropriation is made as provided in this section.

19 (3) The following laws are the only laws containing
20 statutory appropriations: 2-9-202; 2-17-105; 2-18-812;
21 10-3-203; 10-3-312; 10-3-314; 10-4-301; 13-37-201;
22 13-37-304; 15-1-111; 15-23-706; 15-25-123; 15-31-702;
23 15-36-112; 15-37-117; 15-65-121; 15-70-101; 16-1-404;
24 16-1-410; 16-1-411; 17-3-212; 17-5-404; 17-5-424; 17-5-704;
25 17-5-804; 17-6-409; 17-7-304; 19-5-404; 19-6-709; 19-8-504;

1 19-9-702; 19-9-1007; 19-10-205; 19-10-305; 19-10-506;
 2 19-11-512; 19-11-513; 19-11-606; 19-12-301; 19-13-604;
 3 19-15-101; 20-4-109; 20-6-406; 20-8-111; 20-9-361;
 4 20-26-1503; 22-3-811; 23-5-136; 23-5-306; 23-5-409;
 5 23-5-610; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 27-12-206;
 6 37-43-204; 37-51-501; 39-71-2504; 44-12-206; 44-13-102;
 7 53-6-150; 53-24-206; 61-5-121; 67-3-205; 75-1-1101;
 8 75-5-507; 75-5-1108; 75-11-313; 76-12-123; 77-1-808;
 9 80-2-103; 80-11-310; 82-11-136; 82-11-161; 85-1-220;
 10 90-3-301; 90-4-215; 90-6-331; 90-7-220; and 90-9-306.

11 (4) There is a statutory appropriation to pay the
 12 principal, interest, premiums, and costs of issuing, paying,
 13 and securing all bonds, notes, or other obligations, as due,
 14 that have been authorized and issued pursuant to the laws of
 15 Montana. Agencies that have entered into agreements
 16 authorized by the laws of Montana to pay the state
 17 treasurer, for deposit in accordance with 17-2-101 through
 18 17-2-107, as determined by the state treasurer, an amount
 19 sufficient to pay the principal and interest as due on the
 20 bonds or notes have statutory appropriation authority for
 21 the payments. (In subsection (3): pursuant to sec. 7, Ch.
 22 567, L. 1991, the inclusion of 19-6-709 terminates upon
 23 death of last recipient eligible for supplemental benefit;
 24 and pursuant to sec. 18, Ch. 748, L. 1991, the inclusion of
 25 22-3-811 terminates June 30, 1993.)"

1 NEW SECTION. **Section 8.** Commissioner to transfer
 2 contents of reports to software. The commissioner of
 3 political practices shall, by March 1, 1994, transfer from
 4 the paper version of reports received under Title 13,
 5 chapter 37, to computer software all of the data and
 6 information contained in those reports and make the data and
 7 information accessible to the public in accordance with
 8 13-37-119.

9 NEW SECTION. **Section 9.** Commissioner and state library
 10 to study accessibility of reports through library -- report
 11 to legislature. The commissioner of political practices and
 12 the state librarian shall jointly study and determine the
 13 need for a computer terminal or terminals located at the
 14 state library to be used for the purpose of providing public
 15 access to the computer software version of reports received
 16 under Title 13, chapter 37. The commissioner and the
 17 librarian shall report their findings and recommendations in
 18 writing to the 54th legislature by January 1, 1995.

-End-