

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

House BILL NO. 177

INTRODUCED BY _____

[Handwritten signature]

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING ELECTION AND CAMPAIGN LAWS; REVISING THE TIME FOR FILING A DECLARATION FOR NOMINATION; REVISING THE TIME FOR CERTIFYING BALLOTS; REVISING THE AMOUNTS OF EXPENDITURES FROM PETTY CASH FUNDS; MAKING CAMPAIGN CONTRIBUTION LIMITS APPLY TO AN ELECTION CYCLE; INCREASING CONTRIBUTION LIMITS AND PROVIDING FOR INFLATIONARY ADJUSTMENTS TO LIMITS; ALLOWING INCREASED CONTRIBUTIONS IN CERTAIN CIRCUMSTANCES; REQUIRING REPORTS OF POLITICALLY RELATED ACTIVITY EXPENDITURES FROM CERTAIN TAX EXEMPT ORGANIZATIONS; ELIMINATING THE REQUIREMENT THAT CERTAIN CANDIDATES REPORT THE RECEIPT OF A CONTRIBUTION OF \$100 OR MORE WITHIN 48 HOURS OF RECEIPT; AND AMENDING SECTIONS 13-10-201, 13-10-208, 13-12-201, 13-37-215, 13-37-216, 13-37-225, 13-37-226, 13-37-229, AND 13-37-230, MCA."

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

Section 1. Section 13-10-201, MCA, is amended to read:

"13-10-201. **Declaration for nomination.** (1) Each candidate in the primary election, except nonpartisan candidates filing under the provisions of chapter 14, shall send a declaration for nomination to the secretary of state or election administrator. Each candidate for governor shall send a joint declaration for nomination with a candidate for lieutenant governor.

(2) A declaration for nomination must be filed in the office of:

(a) the secretary of state for a congressional office, state or district office to be voted for in more than one county, member of the legislature, or judge of the district court;

(b) the election administrator for a county, municipal, precinct, or district office (other than a member of the legislature or judge of the district court) to be voted for in only one county.

(3) Each candidate shall sign the declaration and send with it the required filing fee or, in the case of an indigent candidate, send with it the documents required by 13-10-203. The declaration for nomination must be acknowledged by an officer empowered to acknowledge signatures if sent by mail or by the officer of the office at which the filing is made.

1 (4) The declaration, when filed, is conclusive evidence that the elector is a candidate for nomination
2 by the elector's party.

3 (5) (a) The declaration for nomination must be in the form and contain the information prescribed
4 by the secretary of state.

5 (b) A person seeking nomination to the legislature shall provide the secretary of state with a street
6 address, legal description, or road designation to indicate the person's place of residence. If a candidate
7 for the legislature changes residence, the candidate shall, within 15 days after the change, notify the
8 secretary of state on a form prescribed by the secretary of state.

9 (c) The secretary of state and election administrator shall furnish declaration for nomination forms
10 to individuals requesting them.

11 (6) Declarations for nomination must be filed no sooner than 135 days before the election in which
12 the office first appears on the ballot and no later than 5 p.m., ~~75~~ 85 days before the date of the primary
13 election."
14

15 **Section 2.** Section 13-10-208, MCA, is amended to read:

16 "**13-10-208. Certificate of primary ballot -- printing ballot.** (1) Not more than ~~75~~ 85 days and not
17 less than 67 days before the date of the primary election, the secretary of state shall certify to the election
18 administrators the names and designations of candidates, except as provided in 13-37-126, and any ballot
19 issues as shown in the official records of the secretary of state's office in the manner provided in
20 13-10-209 and chapter 12, part 2, of this title.

21 (2) Not more than 67 days and not less than 62 days before the date of the primary election, the
22 election administrator shall certify the names and designations of candidates, except as provided in
23 13-37-126, and any ballot issues as shown in the official record of the election administrator's office and
24 have the official ballots printed in the manner provided in 13-10-209 and chapter 12, part 2, of this title.

25 (3) If a candidate for the legislature is no longer eligible under Article V, section 4, of the Montana
26 constitution to seek the office for which the candidate has filed because the candidate has changed
27 residence, the secretary of state shall notify the candidate that the candidate is required to withdraw as
28 provided in 13-10-325."
29

30 **Section 3.** Section 13-12-201, MCA, is amended to read:

1 **"13-12-201. Secretary of state to certify ballot.** (1) ~~Seventy five days or more before an election,~~
 2 ~~except~~ Except as provided in 13-10-208, 85 days or more before an election, the secretary of state shall
 3 certify to the election administrators the name and party or other designation of each candidate entitled to
 4 appear on the ballot and the ballot issues as shown in the official records of the secretary of state's office,
 5 which must include the notification specified in 13-37-126.

6 (2) The election administrator shall certify the name and party or other designation of each
 7 candidate entitled to appear on the ballot and the ballot issues as shown in the official records of the
 8 election administrator's office, which must include the notification specified in 13-37-126, and shall have
 9 the official ballots printed.

10 (3) If a candidate for the legislature is no longer eligible under Article V, section 4, of the Montana
 11 constitution to seek the office for which the candidate has filed because the candidate has changed
 12 residence, the secretary of state shall notify the candidate that the candidate is required to withdraw as
 13 provided in 13-10-325."

14
 15 **Section 4.** Section 13-37-215, MCA, is amended to read:

16 **"13-37-215. Petty cash funds allowed.** (1) The campaign treasurer for each candidate or political
 17 committee is authorized to withdraw the following amount each week from the primary depository for the
 18 purpose of providing a petty cash fund for the candidate or political committee:

19 (a) for all statewide candidates and political committees filing reports pursuant to 13-37-226(1),
 20 ~~\$100~~ \$200 per week; and

21 (b) for all other candidates and political committees, ~~\$25~~ \$50 per week.

22 (2) The petty cash fund may be spent for office supplies, transportation expenses, postage stamps,
 23 and other necessities in an amount of less than ~~\$25~~ \$40. Petty cash ~~shall~~ may not be used for the
 24 purchase of time, space, or services from any communications medium."

25
 26 **Section 5.** Section 13-37-216, MCA, is amended to read:

27 **"13-37-216. Limitations on contributions -- inflation adjustment.** (1) (a) ~~Aggregate~~ Except as
 28 provided in subsection (7) and subject to subsection (1)(c), aggregate contributions for each election cycle
 29 in a campaign by a political committee or by an individual, other than the candidate, to a candidate are
 30 limited as follows:

1 (i) for candidates filed jointly for the office of governor and lieutenant governor, not to exceed ~~\$400~~
2 \$800;

3 (ii) for a candidate to be elected for state office in a statewide election, other than the candidates
4 for governor and lieutenant governor, not to exceed ~~\$200~~ \$400;

5 (iii) for a candidate for any other public office, not to exceed ~~\$100~~ \$200.

6 (b) A contribution to a candidate includes contributions made to the candidate's committee and
7 to any political committee organized on the candidate's behalf.

8 (c) Each candidate for an office listed in subsection (1)(a) may receive an additional contribution
9 of up to \$100 from an individual Montana elector during an election cycle.

10 (2) (a) A political committee that is not independent of the candidate is considered to be organized
11 on the candidate's behalf. For the purposes of this section, an independent committee means a committee
12 ~~which that~~ is not specifically organized on behalf of a particular candidate, ~~or which that~~ is not controlled
13 either directly or indirectly by a candidate or candidate's committee, and ~~which that~~ does not act jointly
14 with a candidate or candidate's committee in conjunction with the making of expenditures or accepting
15 contributions.

16 (b) A leadership political committee maintained by a political officeholder is considered to be
17 organized on the political officeholder's behalf.

18 (3) All political committees except those of political party organizations are subject to the provisions
19 of subsections (1) and (2). For purposes of this subsection, "political party organization" means any political
20 organization that was represented on the official ballot at the most recent gubernatorial election. Political
21 party organizations may form political committees that are subject to the following aggregate limitations
22 from all political party committees:

23 (a) for candidates filed jointly for the offices of governor and lieutenant governor, not to exceed
24 ~~\$15,000~~ \$30,000;

25 (b) for a candidate to be elected for state office in a statewide election, other than the candidates
26 for governor and lieutenant governor, not to exceed ~~\$5,000~~ \$10,000;

27 (c) for a candidate for public service commissioner, not to exceed ~~\$2,000~~ \$4,000;

28 (d) for a candidate for the state senate, not to exceed ~~\$800~~ \$1,600;

29 (e) for a candidate for any other public office, not to exceed ~~\$500~~ \$1,000.

30 (4) A candidate may not accept any contributions in excess of the limits in this section.

1 (5) For purposes of this section, "election cycle" means the general election ~~or~~ and a primary
 2 election ~~that involves two or more candidates for the same nomination. If there is not a contested primary,~~
 3 ~~there is only one election to which the contribution limits apply. If there is a contested primary, then there~~
 4 ~~are two elections to which the~~ The contribution limits apply to the entire election cycle regardless of
 5 whether the primary election is contested.

6 (6) The contribution limitations in this section must be multiplied by the inflation factor as defined
 7 in 15-30-101(8) for the year in which general elections are held after 2000. The resulting figure must be
 8 rounded off to the nearest \$50 increment. The commissioner shall publish the revised limitations as a rule.

9 (7) If a person's opponent in a campaign has contributed \$5,000 or more of the individual's own
 10 funds or has received \$5,000 or more of in-kind contributions, a candidate may raise the same amount of
 11 funds as the opponent has contributed or the same amount of in-kind contributions received from any
 12 source."

13
 14 **Section 6.** Section 13-37-225, MCA, is amended to read:

15 **"13-37-225. Reports of contributions and expenditures required.** (1) Except as provided in
 16 13-37-206, each candidate and political committee shall file periodic reports of contributions and
 17 expenditures made by or on the behalf of a candidate or political committee. All reports required by this
 18 chapter ~~shall~~ must be filed with the commissioner and with the election administrator of the county in which
 19 a candidate is a resident or the political committee has its headquarters. However, ~~where~~ when residency
 20 within a district, county, city, or town is not a prerequisite for being a candidate, copies of all reports ~~shall~~
 21 must be filed with the election administrator of the county in which the election is to be held or, if the
 22 election is to be held in more than one county, with the election administrator in the county that the
 23 commissioner specifies.

24 (2) In lieu of all contribution and expenditure reports required by this chapter, the commissioner
 25 shall accept copies of the reports filed by candidates for congress and president of the United States and
 26 their political committees pursuant to the requirements of federal law.

27 (3) An entity that is exempt from taxation under 26 U.S.C. 501(c)(3) or 26 U.S.C. 501(c)(4) that
 28 spends more than \$10,000 in an election cycle for politically related activities in Montana shall file the
 29 report required by this section. The commissioner shall define politically related activities by rule. For
 30 purposes of this section, "election cycle" has the meaning provided in 13-37-216."

1 **Section 7.** Section 13-37-226, MCA, is amended to read:

2 **"13-37-226. Time for filing reports.** (1) Candidates for a state office filled by a statewide vote of
3 all the electors of Montana and political committees that are organized to support or oppose a particular
4 statewide candidate shall file reports:

5 (a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter
6 in which funds are received or expended during the year or years prior to the election year that the
7 candidate expects to be on the ballot;

8 (b) on the 10th day of March and September in each year that an election is to be held and on the
9 15th and 5th days preceding the date on which an election is held and within 24 hours after receiving a
10 contribution of \$500 or more if received between the 10th day before the election and the day of the
11 election;

12 (c) not more than 20 days after the date of the election; and

13 (d) on the 10th day of March and September of each year following an election until the candidate
14 or political committee files a closing report as specified in 13-37-228(3).

15 (2) Political committees organized to support or oppose a particular statewide ballot issue shall file
16 reports:

17 (a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter
18 in which funds are received or expended during the year or years prior to the election year that an issue
19 subject to a referendum is or is expected to be on the ballot;

20 (b) on the 10th day of March and on the 10th day of each subsequent month through September;

21 (c) on the 15th and 5th days preceding the date on which an election is held;

22 (d) within 24 hours after receiving a contribution of \$500 or more if received between the 10th
23 day before the election and the day of the election;

24 (e) within 20 days after the election; and

25 (f) on the 10th day of March and September of each year following an election until the political
26 committee files a closing report as specified in 13-37-228(3).

27 (3) Candidates for a state district office, including but not limited to candidates for the legislature,
28 the public service commission, or a district court judge, and political committees that are specifically
29 organized to support or oppose a particular state district candidate or issue shall file reports:

30 (a) on the 12th day preceding the date on which an election is held ~~and within 48 hours after~~

1 ~~receiving a contribution of \$100 or more if received between the 17th day before the election and the day~~
 2 ~~of the election.~~ The report under this subsection (3)(a) may be made by mail or by electronic communication
 3 to the clerk and recorder and the commissioner ~~of political practices.~~

4 (b) not more than 20 days after the date of the election; and

5 (c) whenever a candidate or political committee files a closing report as specified in 13-37-228(3).

6 (4) Candidates for any other public office and political committees that are specifically organized
 7 to support or oppose a particular local issue shall file the reports specified in subsection (3) only if the total
 8 amount of contributions received or the total amount of funds expended for all elections in a campaign,
 9 excluding the filing fee paid by the candidate, exceeds \$500, except as provided in 13-37-206.

10 (5) For the purposes of this subsection, a committee that is not specifically organized to support
 11 or oppose a particular candidate or ballot issue and that receives contributions and makes expenditures in
 12 conjunction with an election is an independent committee. For the purpose of reporting, a political party
 13 committee is an independent committee. An independent committee shall file:

14 (a) a report on the 12th day preceding the date of an election in which it participates by making
 15 an expenditure;

16 (b) a report not more than 20 days after the date of the election in which it participates by making
 17 an expenditure; and

18 (c) a report on a date to be prescribed by the commissioner for a closing report at the close of each
 19 calendar year.

20 (6) The commissioner may promulgate rules regarding the extent to which organizations that are
 21 not primary political committees but are incidental political committees shall report their politically related
 22 activities in accordance with this chapter.

23 (7) All reports required by this section must be complete as of the fifth day before the date of filing
 24 as specified in 13-37-228(2) and this section."

25
 26 **Section 8.** Section 13-37-229, MCA, is amended to read:

27 "**13-37-229. Disclosure of contributions received.** Each report required by this chapter ~~shall~~ must
 28 disclose the following information:

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

30 (2) the full name, mailing address, occupation, and employer, if any, of each person who has made

1 aggregate contributions, other than loans, of \$35 or more to a candidate, ~~or a~~ political committee, or an
 2 entity subject to 13-37-225(3) (including the purchase of tickets and other items for events, such as
 3 dinners, luncheons, rallies, and similar fundraising events);

4 (3) for each person identified under subsection (2), the aggregate amount of contributions made
 5 by that person within the reporting period and the total amount of contributions made by that person for
 6 all reporting periods;

7 (4) the total sum of individual contributions made to or for a political committee, ~~or a~~ candidate,
 8 or an entity subject to 13-37-225(3) and not reported under subsections (2) and (3) of this section;

9 (5) the name and address of each political committee, ~~or candidate,~~ or entity subject to
 10 13-37-225(3) from which the reporting committee or candidate received any transfer of funds, together
 11 with the amount and dates of all transfers;

12 (6) each loan from any person during the reporting period, together with the full names, mailing
 13 addresses, occupations, and employers, if any, of the lender and endorsers, if any, and the date and
 14 amount of each loan;

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

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

19 (9) each contribution, rebate, refund, or other receipt not otherwise listed under subsections (2)
 20 through (8) ~~of this section~~ during the reporting period;

21 (10) the total sum of all receipts received by or for the committee, ~~or candidate,~~ or entity subject
 22 to 13-37-225(3) during the reporting period; and

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

25

26 **Section 9.** Section 13-37-230, MCA, is amended to read:

27 "13-37-230. **Disclosure of expenditures made.** Each report required by this chapter shall must
 28 disclose the following information, except that a candidate ~~shall only~~ may be required to report the
 29 information specified in this section only if the transactions involved were undertaken for the purpose of
 30 influencing an election:

1 (1) the full name and mailing address (occupation and the principal place of business, if any) of
2 each person to whom expenditures have been made by the committee, ~~or the candidate, or an entity~~
3 subject to 13-37-225(3) during the reporting period, including the amount, date, and purpose of each
4 expenditure and the total amount of expenditures made to each person;

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

9 (3) the total sum of expenditures made by a political committee, ~~or a candidate, or an entity subject~~
10 to 13-37-225(3) during the reporting period;

11 (4) the name and address of each political committee, ~~or candidate, or entity subject to~~
12 13-37-225(3) to which the reporting committee, ~~or a candidate, or an entity subject to 13-37-225(3)~~ made
13 any transfer of funds, together with the amount and dates of all transfers;

14 (5) the name of any person to whom a loan was made during the reporting period, including the
15 full name and mailing address (occupation and principal place of business, if any) of that person, and the
16 full name and mailing address (occupation and principal place of business, if any) of the endorsers, if any,
17 and the date and amount of each loan;

18 (6) the amount and nature of debts and obligations owed by a political committee, ~~or a candidate,~~
19 or an entity subject to 13-37-225(3) in the form prescribed by the commissioner;

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

22

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0177, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act generally revising election and campaign laws; revising the time for filing a declaration for nomination; revising the time for certifying ballots; revising the amounts of expenditures from petty cash funds; making campaign contribution limits apply to an election cycle; increasing contribution limits and providing for inflationary adjustments to limits; allowing increased contributions in certain circumstances; requiring reports of politically related activity expenditures from certain tax exempt organizations; eliminating the requirement that certain candidates report the receipt of a contribution of \$100 or more within 48 hours of receipt.

ASSUMPTIONS:

1. The change in aggregate limit requirements of contributions to candidates and committees from two separate primary and general election periods to one election cycle will eliminate some complexities in checking reports and compiling campaign finance summaries.
2. The addition of reporting requirements for a new category of "entities that are exempt from taxation that spend more than \$10,000 in an election cycle for politically related activities in Montana" will require the implementation of an additional reporting mechanism for identification, monitoring and enforcement.
3. New rules for revising limitations for the "inflation adjustment" as well as defining "politically related activities" for entities (referenced in Assumption 2 above) will require hearings and publications in the Administrative Rules of Montana (ARM). In addition, amendments in ARM will be required for rules referencing changes in reporting requirements from primary and general elections to one election cycle.
4. The new "additional contribution" allowed for "an individual Montana elector" will require identification of each contributor as a Montana resident as well as a currently registered voter and will require the implementation of an additional reporting mechanism for identification, monitoring and enforcement.
5. The new allowance, that an opponent may accept additional contributions in the amount of an opposing candidate's personal contribution to the campaign or the receipt of \$5,000 or more in in-kind contributions from any source, will require the implementation of an additional reporting mechanism for identification, monitoring and enforcement.
6. Using current projections, the implementation and monitoring of these additional reporting requirements can be assumed by current staff in the office of the Commissioner of Political Practices.
7. The Commissioner of Political Practices will need an additional \$5,000 in operating expenses for fiscal year 1998 for additional legal services and communications related to adoption of new rules.
8. The Office of the Secretary of State anticipates no fiscal impact from HB 177.

FISCAL IMPACT:

	<u>FY98</u>	<u>FY99</u>
	<u>Difference</u>	<u>Difference</u>
<u>Expenditures:</u>		
Operating Costs	5,000	0
<u>Funding:</u>		
General Fund (01)	5,000	0
<u>Net Impact to the Balance Sheet: (Revenue minus expense)</u>		
General Fund (01)	(5,000)	0

Dave Lewis 1-11-97
 DAVE LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

John Cobb 1-13-97
 JOHN COBB, PRIMARY SPONSOR DATE

Fiscal Note for HB0177, as introduced

HB 177

1 HOUSE BILL NO. 177

2 INTRODUCED BY COBB

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING ELECTION AND CAMPAIGN LAWS;
5 REVISING THE TIME FOR FILING A DECLARATION FOR NOMINATION; REVISING THE TIME FOR
6 CERTIFYING BALLOTS; REVISING THE AMOUNTS OF EXPENDITURES FROM PETTY CASH FUNDS;
7 MAKING CAMPAIGN CONTRIBUTION LIMITS APPLY TO AN ELECTION CYCLE; INCREASING
8 CONTRIBUTION LIMITS AND PROVIDING FOR INFLATIONARY ADJUSTMENTS TO LIMITS; ALLOWING
9 INCREASED CONTRIBUTIONS IN CERTAIN CIRCUMSTANCES; REQUIRING REPORTS OF POLITICALLY
10 RELATED ACTIVITY EXPENDITURES FROM CERTAIN TAX EXEMPT ORGANIZATIONS; ~~ELIMINATING THE~~
11 ~~REQUIREMENT THAT CERTAIN CANDIDATES REPORT THE RECEIPT OF A CONTRIBUTION OF \$100 OR~~
12 ~~MORE WITHIN 48 HOURS OF RECEIPT;~~ AND AMENDING SECTIONS 13-10-201, 13-10-208, 13-12-201,
13 13-37-215, 13-37-216, 13-37-225, 13-37-226, 13-37-229, AND 13-37-230, MCA."

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

16
17 **Section 1.** Section 13-10-201, MCA, is amended to read:

18 "13-10-201. **Declaration for nomination.** (1) Each candidate in the primary election, except
19 nonpartisan candidates filing under the provisions of chapter 14, shall send a declaration for nomination
20 to the secretary of state or election administrator. Each candidate for governor shall send a joint declaration
21 for nomination with a candidate for lieutenant governor.

22 (2) A declaration for nomination must be filed in the office of:

23 (a) the secretary of state for a congressional office, state or district office to be voted for in more
24 than one county, member of the legislature, or judge of the district court;

25 (b) the election administrator for a county, municipal, precinct, or district office (other than a
26 member of the legislature or judge of the district court) to be voted for in only one county.

27 (3) Each candidate shall sign the declaration and send with it the required filing fee or, in the case
28 of an indigent candidate, send with it the documents required by 13-10-203. The declaration for nomination
29 must be acknowledged by an officer empowered to acknowledge signatures if sent by mail or by the officer
30 of the office at which the filing is made.

1 (4) The declaration, when filed, is conclusive evidence that the elector is a candidate for nomination
2 by the elector's party.

3 (5) (a) The declaration for nomination must be in the form and contain the information prescribed
4 by the secretary of state.

5 (b) A person seeking nomination to the legislature shall provide the secretary of state with a street
6 address, legal description, or road designation to indicate the person's place of residence. If a candidate
7 for the legislature changes residence, the candidate shall, within 15 days after the change, notify the
8 secretary of state on a form prescribed by the secretary of state.

9 (c) The secretary of state and election administrator shall furnish declaration for nomination forms
10 to individuals requesting them.

11 (6) Declarations for nomination must be filed no sooner than 135 days before the election in which
12 the office first appears on the ballot and no later than 5 p.m., ~~75~~ 85 days before the date of the primary
13 election."
14

15 **Section 2.** Section 13-10-208, MCA, is amended to read:

16 "**13-10-208. Certificate of primary ballot -- printing ballot.** (1) Not more than ~~75~~ 85 days and not
17 less than 67 days before the date of the primary election, the secretary of state shall certify to the election
18 administrators the names and designations of candidates, except as provided in 13-37-126, and any ballot
19 issues as shown in the official records of the secretary of state's office in the manner provided in
20 13-10-209 and chapter 12, part 2, of this title.

21 (2) Not more than 67 days and not less than 62 days before the date of the primary election, the
22 election administrator shall certify the names and designations of candidates, except as provided in
23 13-37-126, and any ballot issues as shown in the official record of the election administrator's office and
24 have the official ballots printed in the manner provided in 13-10-209 and chapter 12, part 2, of this title.

25 (3) If a candidate for the legislature is no longer eligible under Article V, section 4, of the Montana
26 constitution to seek the office for which the candidate has filed because the candidate has changed
27 residence, the secretary of state shall notify the candidate that the candidate is required to withdraw as
28 provided in 13-10-325."
29

30 **Section 3.** Section 13-12-201, MCA, is amended to read:

1 **"13-12-201. Secretary of state to certify ballot.** (1) ~~Seventy five days or more before an election,~~
 2 ~~except~~ Except as provided in 13-10-208, 85 days or more before an election, the secretary of state shall
 3 certify to the election administrators the name and party or other designation of each candidate entitled to
 4 appear on the ballot and the ballot issues as shown in the official records of the secretary of state's office,
 5 which must include the notification specified in 13-37-126.

6 (2) The election administrator shall certify the name and party or other designation of each
 7 candidate entitled to appear on the ballot and the ballot issues as shown in the official records of the
 8 election administrator's office, which must include the notification specified in 13-37-126, and shall have
 9 the official ballots printed.

10 (3) If a candidate for the legislature is no longer eligible under Article V, section 4, of the Montana
 11 constitution to seek the office for which the candidate has filed because the candidate has changed
 12 residence, the secretary of state shall notify the candidate that the candidate is required to withdraw as
 13 provided in 13-10-325."
 14

15 **Section 4.** Section 13-37-215, MCA, is amended to read:

16 **"13-37-215. Petty cash funds allowed.** (1) The campaign treasurer for each candidate or political
 17 committee is authorized to withdraw the following amount each week from the primary depository for the
 18 purpose of providing a petty cash fund for the candidate or political committee:

19 (a) for all statewide candidates and political committees filing reports pursuant to 13-37-226(1),
 20 ~~\$100~~ \$200 per week; and

21 (b) for all other candidates and political committees, ~~\$25~~ \$50 per week.

22 (2) The petty cash fund may be spent for office supplies, transportation expenses, postage stamps,
 23 and other necessities in an amount of less than ~~\$25~~ \$40. Petty cash ~~shall~~ may not be used for the
 24 purchase of time, space, or services from any communications medium."
 25

26 **Section 5.** Section 13-37-216, MCA, is amended to read:

27 **"13-37-216. Limitations on contributions -- inflation adjustment.** (1) (a) ~~Aggregate~~ Except as
 28 provided in subsection (7) and subject to subsection (1)(e), aggregate contributions for each election cycle
 29 in a campaign by a political committee or by an individual, other than the candidate, to a candidate are
 30 limited as follows:

1 (i) for candidates filed jointly for the office of governor and lieutenant governor, not to exceed ~~\$400~~
2 \$800;

3 (ii) for a candidate to be elected for state office in a statewide election, other than the candidates
4 for governor and lieutenant governor, not to exceed ~~\$200~~ \$400;

5 (iii) for a candidate for any other public office, not to exceed ~~\$100~~ \$200.

6 (b) A contribution to a candidate includes contributions made to the candidate's committee and
7 to any political committee organized on the candidate's behalf.

8 ~~(c) Each candidate for an office listed in subsection (1)(a) may receive an additional contribution~~
9 ~~of up to \$100 from an individual Montana elector during an election cycle.~~

10 (2) (a) A political committee that is not independent of the candidate is considered to be organized
11 on the candidate's behalf. For the purposes of this section, an independent committee means a committee
12 ~~which that~~ is not specifically organized on behalf of a particular candidate, ~~or which that~~ is not controlled
13 either directly or indirectly by a candidate or candidate's committee, ~~and which that~~ does not act jointly
14 with a candidate or candidate's committee in conjunction with the making of expenditures or accepting
15 contributions.

16 (b) A leadership political committee maintained by a political officeholder is considered to be
17 organized on the political officeholder's behalf.

18 (3) All political committees except those of political party organizations are subject to the provisions
19 of subsections (1) and (2). For purposes of this subsection, "political party organization" means any political
20 organization that was represented on the official ballot at the most recent gubernatorial election. Political
21 party organizations may form political committees that are subject to the following aggregate limitations
22 from all political party committees:

23 (a) for candidates filed jointly for the offices of governor and lieutenant governor, not to exceed
24 ~~\$15,000~~ \$30,000;

25 (b) for a candidate to be elected for state office in a statewide election, other than the candidates
26 for governor and lieutenant governor, not to exceed ~~\$5,000~~ \$10,000;

27 (c) for a candidate for public service commissioner, not to exceed ~~\$2,000~~ \$4,000;

28 (d) for a candidate for the state senate, not to exceed ~~\$800~~ \$1,600;

29 (e) for a candidate for any other public office, not to exceed ~~\$500~~ \$1,000.

30 (4) A candidate may not accept any contributions in excess of the limits in this section.

1 (5) For purposes of this section, "election cycle" means the general election ~~or~~ and a primary
 2 election ~~that involves two or more candidates for the same nomination. If there is not a contested primary,~~
 3 ~~there is only one election to which the contribution limits apply. If there is a contested primary, then there~~
 4 ~~are two elections to which the~~ The contribution limits apply to the entire election cycle regardless of
 5 whether the primary election is contested.

6 (6) The contribution limitations in this section must be multiplied by the inflation factor as defined
 7 in 15-30-101(8) for the year in which general elections are held after 2000. The resulting figure must be
 8 rounded off to the nearest \$50 increment. The commissioner shall publish the revised limitations as a rule.

9 (7) If a person's opponent in a campaign has contributed \$5,000 or more of the individual's own
 10 funds or has received \$5,000 or more of in-kind contributions, a candidate may raise the same amount of
 11 funds as the opponent has contributed or the same amount of in-kind contributions received from any
 12 source."

13
 14 **Section 6.** Section 13-37-225, MCA, is amended to read:

15 "**13-37-225. Reports of contributions and expenditures required.** (1) Except as provided in
 16 13-37-206, each candidate and political committee shall file periodic reports of contributions and
 17 expenditures made by or on the behalf of a candidate or political committee. All reports required by this
 18 chapter ~~shall~~ must be filed with the commissioner and with the election administrator of the county in which
 19 a candidate is a resident or the political committee has its headquarters. However, ~~where~~ when residency
 20 within a district, county, city, or town is not a prerequisite for being a candidate, copies of all reports ~~shall~~
 21 must be filed with the election administrator of the county in which the election is to be held or, if the
 22 election is to be held in more than one county, with the election administrator in the county that the
 23 commissioner specifies.

24 (2) In lieu of all contribution and expenditure reports required by this chapter, the commissioner
 25 shall accept copies of the reports filed by candidates for congress and president of the United States and
 26 their political committees pursuant to the requirements of federal law.

27 (3) An entity that is exempt from taxation under 26 U.S.C. 501(c)(3) or 26 U.S.C. 501(c)(4) that
 28 spends more than \$10,000 in an election cycle for politically related activities in Montana shall file the
 29 report required by this section. The commissioner shall define politically related activities by rule. For
 30 purposes of this section, "election cycle" has the meaning provided in 13-37-216."

1 **Section 7.** Section 13-37-226, MCA, is amended to read:

2 "**13-37-226. Time for filing reports.** (1) Candidates for a state office filled by a statewide vote of
3 all the electors of Montana and political committees that are organized to support or oppose a particular
4 statewide candidate shall file reports:

5 (a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter
6 in which funds are received or expended during the year or years prior to the election year that the
7 candidate expects to be on the ballot;

8 (b) on the 10th day of March and September in each year that an election is to be held and on the
9 15th and 5th days preceding the date on which an election is held and within 24 hours after receiving a
10 contribution of ~~\$500~~ \$200 or more if received between the 10th day before the election and the day of the
11 election;

12 (c) not more than 20 days after the date of the election; and

13 (d) on the 10th day of March and September of each year following an election until the candidate
14 or political committee files a closing report as specified in 13-37-228(3).

15 (2) Political committees organized to support or oppose a particular statewide ballot issue shall file
16 reports:

17 (a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter
18 in which funds are received or expended during the year or years prior to the election year that an issue
19 subject to a referendum is or is expected to be on the ballot;

20 (b) on the 10th day of March and on the 10th day of each subsequent month through September;

21 (c) on the 15th and 5th days preceding the date on which an election is held;

22 (d) within 24 hours after receiving a contribution of ~~\$500~~ \$200 or more if received between the
23 10th day before the election and the day of the election;

24 (e) within 20 days after the election; and

25 (f) on the 10th day of March and September of each year following an election until the political
26 committee files a closing report as specified in 13-37-228(3).

27 (3) Candidates for a state district office, including but not limited to candidates for the legislature,
28 the public service commission, or a district court judge, and political committees that are specifically
29 organized to support or oppose a particular state district candidate or issue shall file reports:

30 (a) on the 12th day preceding the date on which an election is held ~~and within 48 hours after~~

1 ~~receiving a contribution of \$100 or more if received between the 17th day before the election and the day~~
 2 ~~of the election~~ AND WITHIN 48 HOURS AFTER RECEIVING A CONTRIBUTION OF \$100 OR MORE IF
 3 RECEIVED BETWEEN THE 17TH DAY BEFORE THE ELECTION AND THE DAY OF THE ELECTION. The
 4 report under this subsection (3)(a) may be made by mail or by electronic communication to the clerk and
 5 recorder and the commissioner ~~of political practices.~~

6 (b) not more than 20 days after the date of the election; and

7 (c) whenever a candidate or political committee files a closing report as specified in 13-37-228(3).

8 (4) Candidates for any other public office and political committees that are specifically organized
 9 to support or oppose a particular local issue shall file the reports specified in subsection (3) only if the total
 10 amount of contributions received or the total amount of funds expended for all elections in a campaign,
 11 excluding the filing fee paid by the candidate, exceeds \$500, except as provided in 13-37-206.

12 (5) For the purposes of this subsection, a committee that is not specifically organized to support
 13 or oppose a particular candidate or ballot issue and that receives contributions and makes expenditures in
 14 conjunction with an election is an independent committee. For the purpose of reporting, a political party
 15 committee is an independent committee. An independent committee shall file:

16 (a) a report on the 12th day preceding the date of an election in which it participates by making
 17 an expenditure;

18 (b) a report not more than 20 days after the date of the election in which it participates by making
 19 an expenditure; and

20 (c) a report on a date to be prescribed by the commissioner for a closing report at the close of each
 21 calendar year.

22 (6) The commissioner may promulgate rules regarding the extent to which organizations that are
 23 not primary political committees but are incidental political committees shall report their politically related
 24 activities in accordance with this chapter.

25 (7) All reports required by this section must be complete as of the fifth day before the date of filing
 26 as specified in 13-37-228(2) and this section."

27

28 **Section 8.** Section 13-37-229, MCA, is amended to read:

29 **"13-37-229. Disclosure of contributions received.** Each report required by this chapter shall must
 30 disclose the following information:

- 1 (1) the amount of cash on hand at the beginning of the reporting period;
- 2 (2) the full name, mailing address, occupation, and employer, if any, of each person who has made
3 aggregate contributions, other than loans, of \$35 or more to a candidate, ~~or a~~ political committee, or an
4 entity subject to 13-37-225(3) (including the purchase of tickets and other items for events, such as
5 dinners, luncheons, rallies, and similar fundraising events);
- 6 (3) for each person identified under subsection (2), the aggregate amount of contributions made
7 by that person within the reporting period and the total amount of contributions made by that person for
8 all reporting periods;
- 9 (4) the total sum of individual contributions made to or for a political committee, ~~or a~~ candidate,
10 or an entity subject to 13-37-225(3) and not reported under subsections (2) and (3) of this section;
- 11 (5) the name and address of each political committee, ~~or candidate,~~ or entity subject to
12 13-37-225(3) from which the reporting committee or candidate received any transfer of funds, together
13 with the amount and dates of all transfers;
- 14 (6) each loan from any person during the reporting period, together with the full names, mailing
15 addresses, occupations, and employers, if any, of the lender and endorsers, if any, and the date and
16 amount of each loan;
- 17 (7) the amount and nature of debts and obligations owed to a political committee or candidate, in
18 the form prescribed by the commissioner;
- 19 (8) an itemized account of proceeds that total less than \$35 from a person from mass collections
20 made at fundraising events;
- 21 (9) each contribution, rebate, refund, or other receipt not otherwise listed under subsections (2)
22 through (8) ~~of this section~~ during the reporting period;
- 23 (10) the total sum of all receipts received by or for the committee, ~~or candidate,~~ or entity subject
24 to 13-37-225(3) during the reporting period; and
- 25 (11) other information that may be required by the commissioner to fully disclose the sources of
26 funds used to support or oppose candidates or issues."

27

28 **Section 9.** Section 13-37-230, MCA, is amended to read:

29 "13-37-230. **Disclosure of expenditures made.** Each report required by this chapter ~~shall~~ must
30 disclose the following information, except that a candidate ~~shall only~~ may be required to report the

1 information specified in this section only if the transactions involved were undertaken for the purpose of
2 influencing an election:

3 (1) the full name and mailing address (occupation and the principal place of business, if any) of
4 each person to whom expenditures have been made by the committee, ~~or the candidate,~~ or an entity
5 subject to 13-37-225(3) during the reporting period, including the amount, date, and purpose of each
6 expenditure and the total amount of expenditures made to each person;

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

11 (3) the total sum of expenditures made by a political committee, ~~or a candidate,~~ or an entity subject
12 to 13-37-225(3) during the reporting period;

13 (4) the name and address of each political committee, ~~or candidate,~~ or entity subject to
14 13-37-225(3) to which the reporting committee, ~~or a candidate,~~ or an entity subject to 13-37-225(3) made
15 any transfer of funds, together with the amount and dates of all transfers;

16 (5) the name of any person to whom a loan was made during the reporting period, including the
17 full name and mailing address (occupation and principal place of business, if any) of that person, and the
18 full name and mailing address (occupation and principal place of business, if any) of the endorsers, if any,
19 and the date and amount of each loan;

20 (6) the amount and nature of debts and obligations owed by a political committee, ~~or a candidate,~~
21 or an entity subject to 13-37-225(3) in the form prescribed by the commissioner;

22 (7) other information that may be required by the commissioner to fully disclose the disposition of
23 funds used to support or oppose candidates or issues."

24 -END-

REREFERRED AND APPROVED
BY COMMITTEE ON APPROPRIATIONS

1 HOUSE BILL NO. 177
2 INTRODUCED BY COBB

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING ELECTION AND CAMPAIGN LAWS;
5 REVISING THE TIME FOR FILING A DECLARATION FOR NOMINATION; REVISING THE TIME FOR
6 CERTIFYING BALLOTS; REVISING THE AMOUNTS OF EXPENDITURES FROM PETTY CASH FUNDS;
7 MAKING CAMPAIGN CONTRIBUTION LIMITS APPLY TO AN ELECTION CYCLE; INCREASING
8 CONTRIBUTION LIMITS AND PROVIDING FOR INFLATIONARY ADJUSTMENTS TO LIMITS; ALLOWING
9 INCREASED CONTRIBUTIONS IN CERTAIN CIRCUMSTANCES; REQUIRING REPORTS OF POLITICALLY
10 RELATED ACTIVITY EXPENDITURES FROM CERTAIN TAX EXEMPT ORGANIZATIONS; ~~ELIMINATING THE~~
11 ~~REQUIREMENT THAT CERTAIN CANDIDATES REPORT THE RECEIPT OF A CONTRIBUTION OF \$100 OR~~
12 ~~MORE WITHIN 48 HOURS OF RECEIPT; ELIMINATING THE REQUIREMENT THAT CERTAIN CANDIDATES~~
13 REPORT THE RECEIPT OF A CONTRIBUTION OF \$100 OR MORE WITHIN 48 HOURS OF RECEIPT;
14 REVISING THE CLOSING OF THE BOOKS OF A CAMPAIGN; REVISING THE USE OF SURPLUS CAMPAIGN
15 FUNDS; AND AMENDING SECTIONS 13-10-201, 13-10-208, 13-12-201, 13-37-215, 13-37-216,
16 13-37-225, 13-37-226, 13-37-228, 13-37-229, ~~AND~~ 13-37-230, AND 13-37-240, MCA."

17
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

19
20 **Section 1.** Section 13-10-201, MCA, is amended to read:
21 **"13-10-201. Declaration for nomination.** (1) Each candidate in the primary election, except
22 nonpartisan candidates filing under the provisions of chapter 14, shall send a declaration for nomination
23 to the secretary of state or election administrator. Each candidate for governor shall send a joint declaration
24 for nomination with a candidate for lieutenant governor.
25 (2) A declaration for nomination must be filed in the office of:
26 (a) the secretary of state for a congressional office, state or district office to be voted for in more
27 than one county, member of the legislature, or judge of the district court;
28 (b) the election administrator for a county, municipal, precinct, or district office (other than a
29 member of the legislature or judge of the district court) to be voted for in only one county.
30 (3) Each candidate shall sign the declaration and send with it the required filing fee or, in the case

1 of an indigent candidate, send with it the documents required by 13-10-203. The declaration for nomination
2 must be acknowledged by an officer empowered to acknowledge signatures if sent by mail or by the officer
3 of the office at which the filing is made.

4 (4) The declaration, when filed, is conclusive evidence that the elector is a candidate for nomination
5 by the elector's party.

6 (5) (a) The declaration for nomination must be in the form and contain the information prescribed
7 by the secretary of state.

8 (b) A person seeking nomination to the legislature shall provide the secretary of state with a street
9 address, legal description, or road designation to indicate the person's place of residence. If a candidate
10 for the legislature changes residence, the candidate shall, within 15 days after the change, notify the
11 secretary of state on a form prescribed by the secretary of state.

12 (c) The secretary of state and election administrator shall furnish declaration for nomination forms
13 to individuals requesting them.

14 (6) Declarations for nomination must be filed no sooner than 135 days before the election in which
15 the office first appears on the ballot and no later than 5 p.m., ~~75~~ 85 days before the date of the primary
16 election."

17
18 **Section 2.** Section 13-10-208, MCA, is amended to read:

19 **"13-10-208. Certificate of primary ballot -- printing ballot.** (1) Not more than ~~75~~ 85 days and not
20 less than 67 days before the date of the primary election, the secretary of state shall certify to the election
21 administrators the names and designations of candidates, except as provided in 13-37-126, and any ballot
22 issues as shown in the official records of the secretary of state's office in the manner provided in
23 13-10-209 and chapter 12, part 2, of this title.

24 (2) Not more than 67 days and not less than 62 days before the date of the primary election, the
25 election administrator shall certify the names and designations of candidates, except as provided in
26 13-37-126, and any ballot issues as shown in the official record of the election administrator's office and
27 have the official ballots printed in the manner provided in 13-10-209 and chapter 12, part 2, of this title.

28 (3) If a candidate for the legislature is no longer eligible under Article V, section 4, of the Montana
29 constitution to seek the office for which the candidate has filed because the candidate has changed
30 residence, the secretary of state shall notify the candidate that the candidate is required to withdraw as

1 provided in 13-10-325."

2

3 **Section 3.** Section 13-12-201, MCA, is amended to read:

4 "**13-12-201. Secretary of state to certify ballot.** (1) ~~Seventy-five days or more before an election,~~
5 ~~except~~ Except as provided in 13-10-208, 85 days or more before an election, the secretary of state shall
6 certify to the election administrators the name and party or other designation of each candidate entitled to
7 appear on the ballot and the ballot issues as shown in the official records of the secretary of state's office,
8 which must include the notification specified in 13-37-126.

9 (2) The election administrator shall certify the name and party or other designation of each
10 candidate entitled to appear on the ballot and the ballot issues as shown in the official records of the
11 election administrator's office, which must include the notification specified in 13-37-126, and shall have
12 the official ballots printed.

13 (3) If a candidate for the legislature is no longer eligible under Article V, section 4, of the Montana
14 constitution to seek the office for which the candidate has filed because the candidate has changed
15 residence, the secretary of state shall notify the candidate that the candidate is required to withdraw as
16 provided in 13-10-325."

17

18 **Section 4.** Section 13-37-215, MCA, is amended to read:

19 "**13-37-215. Petty cash funds allowed.** (1) The campaign treasurer for each candidate or political
20 committee is authorized to withdraw the following amount each week from the primary depository for the
21 purpose of providing a petty cash fund for the candidate or political committee:

22 (a) for all statewide candidates and political committees filing reports pursuant to 13-37-226(1),
23 ~~\$100~~ \$200 per week; and

24 (b) for all other candidates and political committees, ~~\$25~~ \$50 per week.

25 (2) The petty cash fund may be spent for office supplies, transportation expenses, postage stamps,
26 and other necessities in an amount of less than ~~\$25~~ \$40. Petty cash ~~shall~~ may not be used for the
27 purchase of time, space, or services from any communications medium."

28

29 **Section 5.** Section 13-37-216, MCA, is amended to read:

30 "**13-37-216. Limitations on contributions -- inflation adjustment.** (1) (a) ~~Aggregate~~ Except as

1 ~~provided in subsection (7) and subject to subsection (1)(c), aggregate~~ contributions for each election cycle
 2 in a campaign by a political committee or by an individual, other than the candidate, to a candidate are
 3 limited as follows:

4 (i) for candidates filed jointly for the office of governor and lieutenant governor, not to exceed ~~\$400~~
 5 \$800;

6 (ii) for a candidate to be elected for state office in a statewide election, other than the candidates
 7 for governor and lieutenant governor, not to exceed ~~\$200~~ \$400;

8 (iii) for a candidate for any other public office, not to exceed ~~\$100~~ \$200.

9 (b) A contribution to a candidate includes contributions made to the candidate's committee and
 10 to any political committee organized on the candidate's behalf.

11 ~~(c) Each candidate for an office listed in subsection (1)(a) may receive an additional contribution~~
 12 ~~of up to \$100 from an individual Montana elector during an election cycle.~~

13 (2) (a) A political committee that is not independent of the candidate is considered to be organized
 14 on the candidate's behalf. For the purposes of this section, an independent committee means a committee
 15 ~~which that~~ is not specifically organized on behalf of a particular candidate, ~~or which that~~ is not controlled
 16 either directly or indirectly by a candidate or candidate's committee, and ~~which that~~ does not act jointly
 17 with a candidate or candidate's committee in conjunction with the making of expenditures or accepting
 18 contributions.

19 (b) A leadership political committee maintained by a political officeholder is considered to be
 20 organized on the political officeholder's behalf.

21 (3) All political committees except those of political party organizations are subject to the provisions
 22 of subsections (1) and (2). For purposes of this subsection, "political party organization" means any political
 23 organization that was represented on the official ballot at the most recent gubernatorial election. Political
 24 party organizations may form political committees that are subject to the following aggregate limitations
 25 from all political party committees:

26 (a) for candidates filed jointly for the offices of governor and lieutenant governor, not to exceed
 27 ~~\$15,000~~ \$30,000;

28 (b) for a candidate to be elected for state office in a statewide election, other than the candidates
 29 for governor and lieutenant governor, not to exceed ~~\$5,000~~ \$10,000;

30 (c) for a candidate for public service commissioner, not to exceed ~~\$2,000~~ \$4,000;

1 (d) for a candidate for the state senate, not to exceed ~~\$800~~ \$1,600;

2 (e) for a candidate for any other public office, not to exceed ~~\$500~~ \$1,000.

3 (4) A candidate may not accept any contributions in excess of the limits in this section.

4 (5) For purposes of this section, "election cycle" means the general election ~~or~~ and a primary
5 election ~~that involves two or more candidates for the same nomination. If there is not a contested primary,~~
6 ~~there is only one election to which the contribution limits apply. If there is a contested primary, then there~~
7 ~~are two elections to which the~~ The contribution limits apply to the entire election cycle regardless of
8 whether the primary election is contested.

9 (6) The contribution limitations in this section must be multiplied by the inflation factor as defined
10 in 15-30-101(8) for the year in which general elections are held after 2000. The resulting figure must be
11 rounded off to the nearest \$50 increment. The commissioner shall publish the revised limitations as a rule.

12 (7) If a person's opponent in a campaign has contributed \$5,000 or more of the individual's own
13 funds or has received \$5,000 or more of in-kind contributions, a candidate may raise the same amount of
14 funds as the opponent has contributed or the same amount of in-kind contributions received from any
15 source."

16

17 **Section 6.** Section 13-37-225, MCA, is amended to read:

18 **"13-37-225. Reports of contributions and expenditures required.** (1) Except as provided in
19 13-37-206, each candidate and political committee shall file periodic reports of contributions and
20 expenditures made by or on the behalf of a candidate or political committee. All reports required by this
21 chapter ~~shall~~ must be filed with the commissioner and with the election administrator of the county in which
22 a candidate is a resident or the political committee has its headquarters. However, ~~where~~ when residency
23 within a district, county, city, or town is not a prerequisite for being a candidate, copies of all reports ~~shall~~
24 must be filed with the election administrator of the county in which the election is to be held or, if the
25 election is to be held in more than one county, with the election administrator in the county that the
26 commissioner specifies.

27 (2) In lieu of all contribution and expenditure reports required by this chapter, the commissioner
28 shall accept copies of the reports filed by candidates for congress and president of the United States and
29 their political committees pursuant to the requirements of federal law.

30 (3) An entity that is exempt from taxation under 26 U.S.C. 501(c)(3) or 26 U.S.C. 501(c)(4) that

1 spends more than \$10,000 in an election cycle for politically related activities in Montana shall file the
2 report required by this section. The commissioner shall define politically related activities by rule. For
3 purposes of this section, "election cycle" has the meaning provided in 13-37-216."
4

5 **Section 7.** Section 13-37-226, MCA, is amended to read:

6 **"13-37-226. Time for filing reports.** (1) Candidates for a state office filled by a statewide vote of
7 all the electors of Montana and political committees that are organized to support or oppose a particular
8 statewide candidate shall file reports:

9 (a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter
10 in which funds are received or expended during the year or years prior to the election year that the
11 candidate expects to be on the ballot;

12 (b) on the 10th day of March and September in each year that an election is to be held and on the
13 15th and 5th days preceding the date on which an election is held and within 24 hours after receiving a
14 contribution of ~~\$500~~ \$200 or more if received between the 10th day before the election and the day of the
15 election;

16 (c) not more than 20 days after the date of the election; and

17 (d) on the 10th day of March and September of each year following an election until the candidate
18 or political committee files a closing report as specified in 13-37-228(3).

19 (2) Political committees organized to support or oppose a particular statewide ballot issue shall file
20 reports:

21 (a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter
22 in which funds are received or expended during the year or years prior to the election year that an issue
23 subject to a referendum is or is expected to be on the ballot;

24 (b) on the 10th day of March and on the 10th day of each subsequent month through September;

25 (c) on the 15th and 5th days preceding the date on which an election is held;

26 (d) within 24 hours after receiving a contribution of ~~\$500~~ \$200 or more if received between the
27 10th day before the election and the day of the election;

28 (e) within 20 days after the election; and

29 (f) on the 10th day of March and September of each year following an election until the political
30 committee files a closing report as specified in 13-37-228(3).

1 (3) Candidates for a state district office, including but not limited to candidates for the legislature,
2 the public service commission, or a district court judge, and political committees that are specifically
3 organized to support or oppose a particular state district candidate or issue shall file reports:

4 (a) on the 12th day preceding the date on which an election is held ~~and within 48 hours after~~
5 ~~receiving a contribution of \$100 or more if received between the 17th day before the election and the day~~
6 ~~of the election AND WITHIN 48 HOURS AFTER RECEIVING A CONTRIBUTION OF \$100 OR MORE IF~~
7 ~~RECEIVED BETWEEN THE 17TH DAY BEFORE THE ELECTION AND THE DAY OF THE ELECTION.~~ The

8 report under this subsection (3)(a) may be made by mail or by electronic communication to the clerk and
9 recorder and the commissioner ~~of political practices.~~

10 (b) not more than 20 days after the date of the election; and

11 (c) whenever a candidate or political committee files a closing report as specified in 13-37-228(3).

12 (4) Candidates for any other public office and political committees that are specifically organized
13 to support or oppose a particular local issue shall file the reports specified in subsection (3) only if the total
14 amount of contributions received or the total amount of funds expended for all elections in a campaign,
15 excluding the filing fee paid by the candidate, exceeds \$500, except as provided in 13-37-206.

16 (5) For the purposes of this subsection, a committee that is not specifically organized to support
17 or oppose a particular candidate or ballot issue and that receives contributions and makes expenditures in
18 conjunction with an election is an independent committee. For the purpose of reporting, a political party
19 committee is an independent committee. An independent committee shall file:

20 (a) a report on the 12th day preceding the date of an election in which it participates by making
21 an expenditure;

22 (b) a report not more than 20 days after the date of the election in which it participates by making
23 an expenditure; and

24 (c) a report on a date to be prescribed by the commissioner for a closing report at the close of each
25 calendar year.

26 (6) The commissioner may promulgate rules regarding the extent to which organizations that are
27 not primary political committees but are incidental political committees shall report their politically related
28 activities in accordance with this chapter.

29 (7) All reports required by this section must be complete as of the fifth day before the date of filing
30 as specified in 13-37-228(2) and this section."

1 **SECTION 8. SECTION 13-37-228, MCA, IS AMENDED TO READ:**

2 **"13-37-228. Time periods covered by reports.** Reports filed under 13-37-225 and 13-37-226 shall
3 be filed to cover the following time periods even though no contributions or expenditures may have been
4 received or made during the period:

5 (1) The initial report ~~shall~~ must cover all contributions received or expenditures made by a
6 candidate or political committee prior to the time that a person became a candidate or a political committee
7 as defined in 13-1-101 until the fifth day before the date of filing of the appropriate initial report pursuant
8 to subsections (1) through (5) of 13-37-226.

9 (2) Subsequent periodic reports ~~shall~~ must cover the period of time from the closing of the previous
10 report to 5 days before the date of filing of a report pursuant to 13-37-226(1) through (5).

11 (3) Closing reports ~~shall~~ must cover the period of time from the last periodic report to the final
12 closing of the books of the candidate or political committee. A candidate or political committee shall file
13 a closing report following an election in which ~~he~~ the candidate or ~~it~~ political committee participates
14 whenever all debts and obligations are extinguished and no further contributions or expenditures will be
15 received or made ~~which~~ that relate to the campaign, unless the election is a primary election and the
16 candidate or political committee will participate in the general election.

17 (4) The filing of a closing report does not require a candidate to close an account. A candidate
18 may keep an account active but may not retain a balance in excess of \$200 in the account."

19
20 **Section 9. Section 13-37-229, MCA, is amended to read:**

21 **"13-37-229. Disclosure of contributions received.** Each report required by this chapter ~~shall~~ must
22 disclose the following information:

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

24 (2) the full name, mailing address, occupation, and employer, if any, of each person who has made
25 aggregate contributions, other than loans, of \$35 or more to a candidate, ~~or a~~ political committee, or an
26 entity subject to 13-37-225(3) (including the purchase of tickets and other items for events, such as
27 dinners, luncheons, rallies, and similar fundraising events);

28 (3) for each person identified under subsection (2), the aggregate amount of contributions made
29 by that person within the reporting period and the total amount of contributions made by that person for
30 all reporting periods;

1 (4) the total sum of individual contributions made to or for a political committee, ~~or a candidate,~~
2 or an entity subject to 13-37-225(3) and not reported under subsections (2) and (3) of this section;

3 (5) the name and address of each political committee, ~~or candidate,~~ or entity subject to
4 13-37-225(3) from which the reporting committee or candidate received any transfer of funds, together
5 with the amount and dates of all transfers;

6 (6) each loan from any person during the reporting period, together with the full names, mailing
7 addresses, occupations, and employers, if any, of the lender and endorsers, if any, and the date and
8 amount of each loan;

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

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

13 (9) each contribution, rebate, refund, or other receipt not otherwise listed under subsections (2)
14 through (8) ~~of this section~~ during the reporting period;

15 (10) the total sum of all receipts received by or for the committee, ~~or candidate,~~ or entity subject
16 to 13-37-225(3) during the reporting period; and

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

19
20 **Section 10.** Section 13-37-230, MCA, is amended to read:

21 **"13-37-230. Disclosure of expenditures made.** Each report required by this chapter ~~shall~~ must
22 disclose the following information, except that a candidate ~~shall only~~ may be required to report the
23 information specified in this section only if the transactions involved were undertaken for the purpose of
24 influencing an election:

25 (1) the full name and mailing address (occupation and the principal place of business, if any) of
26 each person to whom expenditures have been made by the committee, ~~or the candidate,~~ or an entity
27 subject to 13-37-225(3) during the reporting period, including the amount, date, and purpose of each
28 expenditure and the total amount of expenditures made to each person;

29 (2) the full name and mailing addresses (occupation and the principal place of business, if any) of
30 each person to whom an expenditure for personal services, salaries, and reimbursed expenses have been

1 made, including the amount, date, and purpose of that expenditure and the total amount of expenditures
2 made to each person;

3 (3) the total sum of expenditures made by a political committee, ~~or a candidate,~~ or an entity subject
4 to 13-37-225(3) during the reporting period;

5 (4) the name and address of each political committee, ~~or candidate,~~ or entity subject to
6 13-37-225(3) to which the reporting committee, ~~or a candidate,~~ or an entity subject to 13-37-225(3) made
7 any transfer of funds, together with the amount and dates of all transfers;

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

12 (6) the amount and nature of debts and obligations owed by a political committee, ~~or a candidate,~~
13 or an entity subject to 13-37-225(3) in the form prescribed by the commissioner;

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

16

17 **SECTION 11. SECTION 13-37-240, MCA, IS AMENDED TO READ:**

18 "**13-37-240. Surplus campaign funds.** (1) A Subject to 13-37-228(4), a candidate shall dispose of
19 any surplus funds from the candidate's campaign within 120 days after the time of filing the closing
20 campaign report pursuant to 13-37-228. In disposing of the surplus funds, a candidate may not contribute
21 the funds to another campaign, including the candidate's own future campaign, or use the funds for
22 personal benefit. A successful candidate may contribute the funds to a constituent services account that
23 is used to provide services to constituents. The candidate shall provide a supplement to the closing
24 campaign report to the commissioner showing the disposition of any surplus campaign funds.

25 (2) For purposes of this section, "personal benefit" means a use that will provide a direct or indirect
26 benefit of any kind to the candidate or any member of the candidate's immediate family."

27

-END-

1 HOUSE BILL NO. 177

2 INTRODUCED BY COBB

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING ELECTION AND CAMPAIGN LAWS;
5 REVISING THE TIME FOR FILING A DECLARATION FOR NOMINATION; REVISING THE TIME FOR
6 CERTIFYING BALLOTS; REVISING THE AMOUNTS OF EXPENDITURES FROM PETTY CASH FUNDS;
7 MAKING CAMPAIGN CONTRIBUTION LIMITS APPLY TO AN ELECTION CYCLE; INCREASING
8 CONTRIBUTION LIMITS AND PROVIDING FOR INFLATIONARY ADJUSTMENTS TO LIMITS; ALLOWING
9 INCREASED CONTRIBUTIONS IN CERTAIN CIRCUMSTANCES; REQUIRING REPORTS OF POLITICALLY
10 RELATED ACTIVITY EXPENDITURES FROM CERTAIN TAX EXEMPT ORGANIZATIONS; ~~ELIMINATING THE~~
11 ~~REQUIREMENT THAT CERTAIN CANDIDATES REPORT THE RECEIPT OF A CONTRIBUTION OF \$100 OR~~
12 ~~MORE WITHIN 48 HOURS OF RECEIPT; ELIMINATING THE REQUIREMENT THAT CERTAIN CANDIDATES~~
13 ~~REPORT THE RECEIPT OF A CONTRIBUTION OF \$100 OR MORE WITHIN 48 HOURS OF RECEIPT;~~
14 REVISING THE CLOSING OF THE BOOKS OF A CAMPAIGN; REVISING THE USE OF SURPLUS CAMPAIGN
15 FUNDS; AND AMENDING SECTIONS 13-10-201, 13-10-208, 13-12-201, 13-37-215, 13-37-216,
16 13-37-225, 13-37-226, 13-37-228, 13-37-229, AND 13-37-230, AND 13-37-240, MCA."

17

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

**THERE ARE NO CHANGES IN THIS BILL AND IT WILL NOT BE
REPRINTED. PLEASE REFER TO SECOND READING COPY
(YELLOW) FOR COMPLETE TEXT.**