

COMMISSIONER OF
POLITICAL PRACTICES

STATE ADMINISTRATION

Exhibit No. 7

Date 2-18-15

Bill No. SB 267



STATE OF MONTANA

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February 18, 2015

Honorable Dee Brown
Chairperson
Senate State Administration
Committee

Roger Webb– Vice Chair
Sue Malek – M. Vice Chair

Members

Robyn Driscoll
Jedediah Hinkle
Doug Kary
Lea Whitford

Re: Senate Bill 267
Hearing Date: Wednesday, February
18, 2015 at 3:00 PM
Sponsor: Senator Malek

Dear Chairperson Brown and members of the Committee:

The Office of the Commissioner of Political Practices supports Senate Bill 267 and respectfully offers the following information to the members of the Senate State Administration Committee.

As the members of this Committee know, *Citizens United* and its progeny have established new guidelines for involvement of corporate entities in the elections of Montana candidates for public office. Page two of SB 267 adjusts Montana's 100-plus year old law (now codified at 13-35-227 MCA) to remove the ban on corporate independent expenditures. The prohibition of corporate independent expenditures was stricken by the US Supreme Court in *American Tradition Partnership v. Bullock* 132 S. Ct. 2490 (2012).

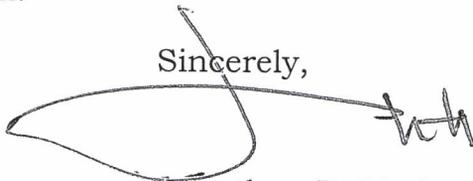
Page one of SB 267 focuses on the regulation arena clearly left to Montana. While *Citizens United* discouraged laws that prohibit certain types of electoral involvement, it also endorsed the ability of a legislature to establish and require reporting and disclosure of campaign information, including expenditures and contributions. The SB 267 language on page 1 does not

prohibit electoral action by corporation entities but does require certification that the electoral activity is that of the corporate entity, rather than just the activity of a corporate officer. The certification and its disclosure are made to the people of Montana through the Office of the COPP, consistent with existing practice. This filing and subsequent posting by the COPP will result in the information being timely displayed for access by a candidate, the public or the press.

The 2014 elections demonstrated that corporate independent expenditures in Montana's candidate races are here to stay. Montana's campaign practice future, including 2016 elections, is likely going to include increasing amounts of campaign expenditures by corporate entities that are not connected with candidates and therefore fall outside of Montana's candidate campaign culture. The corporate level approval required by SB 267 will promote corporate responsibility in electoral activity to go along with their increased rights to engage in electoral activity. The information required by SB 267 will promote political discussion, rather than just serve as political attack, and this serves fair elections.

Thank you for your consideration of SB 267. I urge your support of this bill.

Sincerely,

A handwritten signature in black ink, appearing to read 'JRM', is written over a large, loopy scribble that extends to the left and then loops back under the signature.

Jonathan R. Motl
Commissioner of Political Practices