

## SENATE BILL NO. 423

INTRODUCED BY BLACK, ANDERSON, BARKUS, BUTCHER, LAIBLE, MCGEE, STAPLETON, STORY,  
F. THOMAS

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LIMITS ON CAMPAIGN CONTRIBUTIONS TO CANDIDATES FOR STATE AND OTHER PUBLIC OFFICES; REVISING LIMITS ON CONTRIBUTIONS THAT LEGISLATIVE CANDIDATES MAY RECEIVE FROM POLITICAL COMMITTEES; INCREASING THE AMOUNT THAT TRIGGERS REPORTS FOR AGGREGATE CONTRIBUTIONS BY EACH CONTRIBUTOR; INCREASING THE UPPER LIMIT UNDER WHICH A POLITICAL COMMITTEE MAY CLAIM TO BE IN COMPLIANCE WITH VOLUNTARY EXPENDITURE LIMITS; PROVIDING AN INFLATION FACTOR FOR CONTRIBUTION AND SPENDING LIMITS; INCREASING THE FINE FOR EXCEEDING THE EXPENDITURE LIMITS; AND AMENDING SECTIONS 13-37-216, 13-37-218, 13-37-229, AND 13-37-250, MCA."

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

**Section 1.** Section 13-37-216, MCA, is amended to read:

**"13-37-216. Limitations on contributions.** (1) (a) Aggregate contributions for each election in a campaign by a political committee or by an individual, other than the candidate, to a candidate are limited as follows:

(i) for candidates filed jointly for the office of governor and lieutenant governor, not to exceed ~~\$400~~ ~~\$1,000~~ \$500;

(ii) for a candidate to be elected for state office in a statewide election, other than the candidates for governor and lieutenant governor, not to exceed ~~\$200~~ ~~\$500~~ \$250;

(iii) for a candidate for any other public office, not to exceed ~~\$100~~ \$250 \$130.

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

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

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

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

(a) for candidates filed jointly for the offices of governor and lieutenant governor, not to exceed ~~\$15,000~~ ~~\$37,500~~ \$18,000;

(b) for a candidate to be elected for state office in a statewide election, other than the candidates for governor and lieutenant governor, not to exceed ~~\$5,000~~ ~~\$12,500~~ \$6,500;

(c) for a candidate for public service commissioner, not to exceed ~~\$2,000~~ ~~\$5,000~~ \$2,600;

(d) for a candidate for the state senate, not to exceed ~~\$800~~ ~~\$2,000~~ \$1,050;

(e) for a candidate for any other public office, not to exceed ~~\$500~~ ~~\$1,250~~ \$650.

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

(5) For purposes of this section, "election" means the general election or a primary election that involves two or more candidates for the same nomination. If there is not a contested primary, there is only one election to which the contribution limits apply. If there is a contested primary, then there are two elections to which the contribution limits apply.

(6) After July 1, 2004, all limits on contributions in this section must be multiplied by an inflation factor, which is determined by dividing the consumer price index for June of the year in which the election is held by the consumer price index for June 2003. THE RESULTING FIGURE MUST BE ROUNDED UP OR DOWN TO THE NEAREST \$50 INCREMENT."

**Section 2.** Section 13-37-218, MCA, is amended to read:

**"13-37-218. Limitations on receipts from political committees.** A candidate for the state senate may receive no more than ~~\$1,000~~ ~~\$2,500~~ \$1,300 in total combined monetary contributions from all political committees contributing to the candidate's campaign, and a candidate for the state house of representatives may receive no more than ~~\$600~~ ~~\$1,500~~ \$800 in total combined monetary contributions from all political committees contributing to the candidate's campaign. The limitations in this section must be multiplied by ~~the an~~ an inflation factor ~~as defined in 15-30-101 for,~~ which is determined by dividing the consumer price index for June of the year in which general

~~elections are~~ the election is held by the consumer price index for June 2003. The resulting figure must be rounded off UP OR DOWN to the nearest \$50 increment. The commissioner shall publish the revised limitations as a rule. In-kind contributions must be included in computing these limitation totals. The limitation provided in this section does not apply to contributions made by a political party eligible for a primary election under 13-10-601."

**Section 3.** Section 13-37-229, MCA, is amended to read:

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

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

~~(2)~~(b) the full name, mailing address, occupation, and employer, if any, of each person who has made aggregate contributions, other than loans, of ~~\$35~~ \$75 \$50 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);

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

~~(5)~~(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~~ \$75 \$50 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)~~ through ~~(8)~~ of this section (1)(b) through (1)(h) 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

~~(1)~~(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) After July 1, 2004, the amounts listed in subsections (1)(b) and (1)(h) must be multiplied by an inflation factor, which is determined by dividing the consumer price index for June of the year in which the election is held by the consumer price index for June 2003. THE RESULTING FIGURE MUST BE ROUNDED UP OR DOWN TO THE NEAREST \$50 INCREMENT."

**Section 4.** Section 13-37-250, MCA, is amended to read:

**"13-37-250. Voluntary spending limits.** (1) (a) The following statement may be used in printed matter and in broadcast advertisements and may appear in the voter information pamphlet prepared by the secretary of state: "According to the Office of the Commissioner of Political Practices, ..... is in compliance with the voluntary expenditure limits established under Montana law."

(b) The treasurer of each political committee, as defined in 13-1-101(18)(b), who files a certification on a ballot issue pursuant to 13-37-201 may also file with the commissioner a sworn statement that the committee will not exceed the voluntary expenditure limits of this section. If a sworn statement is made, it must be filed with the commissioner within 30 days of the certification of the political committee.

(c) A political committee that has not filed a sworn statement with the commissioner may not distribute any printed matter or pay for any broadcast claiming to be in compliance with the voluntary expenditure limits of this section.

(d) A political committee may not use evidence of compliance with the voluntary expenditure limits of this section to imply to the public that the committee has received endorsement or approval by the state of Montana.

(2) For the purposes of this section, the expenditures made by a political committee consist of the aggregate total of the following during the calendar year:

(a) all committee loans or expenditures made by check or cash; and

(b) the dollar value of all in-kind contributions made or received by the committee.

(3) In order to be identified as a political committee in compliance with the voluntary expenditure limits of this section, the committee's expenditures, as described in subsection (2), may not exceed ~~\$150,000~~ \$375,000 ~~\$195,000~~.

(4) A political committee that files with the commissioner a sworn statement to abide by the voluntary expenditure limits of this section but that exceeds those limits shall pay a fine of ~~\$5,000~~ \$10,000 ~~\$6,500~~ to the commissioner. This money must be deposited in a separate fund to be used to support the enforcement programs

of the office of the commissioner.

(5) After July 1, 2004, all limits on voluntary spending in this section must be multiplied by an inflation factor, which is determined by dividing the consumer price index for June of the year in which the election is held by the consumer price index for June 2003. THE RESULTING FIGURE MUST BE ROUNDED UP OR DOWN TO THE NEAREST \$50 INCREMENT."

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