

HOUSE BILL NO. 202  
INTRODUCED BY M. JOPEK

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS RELATING TO ELECTED PUBLIC OFFICIALS AND LOBBYISTS; PROVIDING FOR THE ESTABLISHMENT OF CONSTITUENT SERVICES ACCOUNTS; PROVIDING FOR THE FUNDING AND USE OF MONEY IN A CONSTITUENT SERVICES ACCOUNT; PROVIDING REPORTING REQUIREMENTS FOR HOLDERS OF CONSTITUENT SERVICES ACCOUNTS; REVISING REPORTING REQUIREMENTS FOR PRINCIPALS EMPLOYING A LOBBYIST; RESTRICTING THE TIME PERIOD IN WHICH CERTAIN LOBBYISTS MAY BECOME DEPARTMENT DIRECTORS; REQUIRING THE COMMISSIONER OF POLITICAL PRACTICES TO ADOPT RULES FOR THE ELECTRONIC FILING AND POSTING OF REPORTS; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 5-7-208, 5-7-310, 13-37-117, AND 13-37-240, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

**NEW SECTION. Section 1. Constituent service accounts -- funding -- reports -- rulemaking. (1)**

A successful candidate for public office may deposit surplus campaign funds in a constituent services account as provided in 13-37-240. The money in the account may be used for expenses incurred in representing constituents.

(2) The account holder may accept donations from individuals for deposit in the account. A corporation may not donate money for deposit in the account. Donations to an account may not exceed an amount equal to 5% of the total campaign contributions received during the preceding election cycle. All money in the account is subject to the restrictions contained in 13-37-240.

(3) The holder of a constituent services account shall file an annual report with the commissioner, by a date established by the commissioner by rule. The report must disclose the source of all money deposited in the account and enumerate expenditures from the account.

(4) The holder of a constituent services account shall close the account within 120 days after the account holder leaves public office.

(5) The commissioner shall adopt rules to implement this section.

**Section 2.** Section 5-7-208, MCA, is amended to read:

**"5-7-208. Principals to file report.** (1) A principal subject to this chapter shall file with the commissioner a report of payments made for the purpose of lobbying. A principal is subject to the reporting requirements of this section only if the principal makes total payments for the purpose of lobbying that exceed the amount specified under 5-7-112 during a calendar year.

(2) If payments are made solely to influence legislative action, a report must be made:

(a) by February 15th of any year the legislature is in session and must include all payments made in that calendar year prior to February 1;

(b) by the 15th day of the calendar month following a calendar month in which the principal spent ~~\$5,000~~ or more funds and must include all payments made during the prior calendar month; and

(c) no later than 30 days following adjournment of a legislative session and must include all payments made during the session, except as previously reported.

(3) If payments are made to influence any other official action by a public official or made to influence other action and legislative action, a report must be made:

(a) by February 15th of the calendar year following the payments and must include all payments made during the prior calendar year; and

(b) by the 15th day of the calendar month following a calendar month in which the principal spent ~~\$5,000~~ or more funds and must include all payments made during the prior calendar month.

(4) If payments are not made during the reporting periods provided in subsections (2)(a), (2)(c), and (3)(a), the principal shall file a report stating that fact.

(5) Each report filed under this section must:

(a) list all payments for lobbying in each of the following categories:

(i) printing;

(ii) advertising, including production costs;

(iii) postage;

(iv) travel expenses;

(v) salaries and fees, including allowances, rewards, and contingency fees;

(vi) entertainment, including all foods and refreshments;

(vii) telephone and telegraph; and

(viii) other office expenses;

(b) itemize, identifying the payee and the beneficiary:

(i) each separate payment conferring ~~\$25 or more~~ benefit to any public official when the payment was

made for the purpose of lobbying; and

(ii) each separate payment conferring ~~\$100 or more~~ benefit to more than one public official, regardless of individual benefit when the payment was made for the purpose of lobbying, except that in regard to a dinner or other function to which all senators or all representatives have been invited, the beneficiary may be listed as all members of that group without listing separately each person who attended;

(c) list each contribution and membership fee ~~that amounts to \$250 or more when aggregated~~ over the period of 1 calendar year paid to the principal for the purpose of lobbying, with the full address of each payer and the issue area, if any, for which the payment was earmarked;

(d) list each official action on which the principal or the principal's agents exerted a major effort to support, oppose, or modify, together with a statement of the principal's position for or against the action; and

(e) be kept by the commissioner for a period of 10 years."

**Section 3.** Section 5-7-310, MCA, is amended to read:

**"5-7-310. Prohibition of lobbying by former government personnel -- prohibition on certain public employment by lobbyist.** (1) An individual may not be licensed as a lobbyist and a principal may not directly authorize or permit lobbying by an individual if during the 24 months prior to applying for a license that individual served as a state legislator, elected state official, department director, appointed state official, or member of a certain personal staff, as defined by 2-18-101.

(2) The prohibition in subsection (1) does not apply to an individual who seeks a license to serve as a lobbyist as part of the individual's responsibilities as an employee of state or local government.

(3) A lobbyist who receives payments in excess of the payment threshold in 5-7-112 in a calendar year may not become a department director in the 24 months following that calendar year."

**Section 4.** Section 13-37-117, MCA, is amended to read:

**"13-37-117. Commissioner to provide forms, manuals, and election laws -- rulemaking for electronic filing.** (1) The commissioner shall prescribe forms for reports and other information required to be filed pursuant to chapter 35 and this chapter and provide forms and appropriate information to persons required to file reports and other information.

(2) The commissioner shall prepare and publish a manual prescribing a uniform system for accounts for use by persons required to file reports pursuant to chapter 35 or this chapter.

(3) The commissioner shall provide copies of the election laws relating to penalties, campaign practices,

campaign finances, and contested elections to candidates and to any other persons required to file reports or other information pursuant to chapter 35 or this chapter.

(4) The commissioner shall provide copies of forms, manuals, and election laws referred to in this section electronically. Upon request, the commissioner shall provide paper copies.

(5) The commissioner shall adopt rules that allow all reports and information required to be filed with the commissioner's office to be filed electronically. The rules must provide for filing in common spreadsheet applications. Information that is filed electronically must be posted on a website within 24 hours after a reporting deadline."

**Section 5.** Section 13-37-240, MCA, is amended to read:

**"13-37-240. Surplus campaign funds.** (1) A candidate shall dispose of any surplus funds from the candidate's campaign within 120 days after the time of filing the closing campaign report pursuant to 13-37-228. In disposing of the surplus funds, a candidate may not contribute the funds to another campaign, including the candidate's own future campaign, or use the funds for personal benefit. The candidate may establish a constituent services account as provided in [section 1]. The amount that a candidate may contribute to a constituent services account may not exceed 5% of the total campaign contributions received during an entire election cycle. The candidate shall provide a supplement to the closing campaign report to the commissioner showing the disposition of any surplus campaign funds.

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

NEW SECTION. **Section 6. Appropriation.** There is appropriated from the state general fund \$50,000 to the office of the commissioner of political practices to be used to develop electronic filing of reports and to develop and maintain a website for posting the information contained in the reports.

NEW SECTION. **Section 7. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 13, chapter 37, part 2, and the provisions of Title 13, chapter 37, part 2, apply to [section 1].

NEW SECTION. **Section 8. Effective date.** [This act] is effective July 1, 2007.

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