

1 HOUSE BILL NO. 265

2 INTRODUCED BY S. FITZPATRICK

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING CAMPAIGN FINANCE LAWS; REVISING
5 WHEN FUNDS RECEIVED BY A CAMPAIGN MUST BE DEPOSITED; RAISING THE LIMITATION ON
6 CONTRIBUTIONS TO A CANDIDATE FROM POLITICAL COMMITTEES AND INDIVIDUALS; RAISING THE
7 LIMITATION ON AGGREGATE CONTRIBUTIONS THAT A CANDIDATE MAY RECEIVE FROM POLITICAL
8 PARTY ORGANIZATIONS; REVISING THE TIME AND TRIGGERING AMOUNT FOR FILING CERTAIN
9 REPORTS OF CONTRIBUTIONS; RAISING THE AMOUNT OF AGGREGATE CONTRIBUTIONS THAT MUST
10 BE RECEIVED FROM A CONTRIBUTOR BEFORE CERTAIN INFORMATION ABOUT THE CONTRIBUTOR
11 MUST BE DISCLOSED; ELIMINATING THE LIMITATION ON AGGREGATE CONTRIBUTIONS THAT CERTAIN
12 CANDIDATES MAY RECEIVE FROM POLITICAL COMMITTEES; AMENDING SECTIONS 13-37-207,
13 13-37-216, 13-37-226, AND 13-37-229, MCA; AND REPEALING SECTION 13-37-218, MCA."
14

15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
16

17 **Section 1.** Section 13-37-207, MCA, is amended to read:

18 **"13-37-207. Deposit of contributions -- statement of campaign treasurer.** (1) All funds received by
19 the campaign treasurer or any deputy campaign treasurer of any candidate or political committee must be
20 deposited prior to the end of the fifth business day following their receipt, Saturdays, Sundays and holidays
21 excluded, in a checking account, share draft account, share checking account, or negotiable order of withdrawal
22 account in a campaign depository designated pursuant to 13-37-205.

23 (2) A statement showing the amount received from or provided by each person and the account in which
24 the funds are deposited must be prepared by the campaign treasurer at the time the deposit is made. This
25 statement along with the receipt form for cash contributions deposited at the same time and a deposit slip for the
26 deposit must be kept by the treasurer as a part of the treasurer's records."
27

28 **Section 2.** Section 13-37-216, MCA, is amended to read:

29 **"13-37-216. Limitations on contributions -- adjustment.** (1) (a) Subject to adjustment as provided for
30 in subsection (4), aggregate contributions for each election in a campaign by a political committee or by an

1 individual, other than the candidate, to a candidate are limited as follows:

2 (i) for candidates filed jointly for the office of governor and lieutenant governor, not to exceed ~~\$500~~
3 \$2,500;

4 (ii) for a candidate to be elected for state office in a statewide election, other than the candidates for
5 governor and lieutenant governor, not to exceed ~~\$250~~ \$1,500;

6 (iii) for a candidate for public service commissioner, not to exceed \$1,000;

7 ~~(iii)~~(iv) for a candidate for any other public office, not to exceed ~~\$130~~ \$500.

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

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

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

17 (3) All political committees except those of political party organizations are subject to the provisions of
18 subsections (1) and (2). For purposes of this subsection, "political party organization" means any political
19 organization that was represented on the official ballot at the most recent gubernatorial election. Political party
20 organizations may form political committees that are subject to the following aggregate limitations, adjusted as
21 provided for in subsection (4), from all political party committees:

22 (a) for candidates filed jointly for the offices of governor and lieutenant governor, not to exceed ~~\$18,000~~
23 \$80,000;

24 (b) for a candidate to be elected for state office in a statewide election, other than the candidates for
25 governor and lieutenant governor, not to exceed ~~\$6,500~~ \$40,000;

26 (c) for a candidate for public service commissioner, not to exceed ~~\$2,600~~ \$10,000;

27 (d) for a candidate for the state senate, not to exceed ~~\$1,050~~ \$5,000;

28 (e) for a candidate for any other public office, not to exceed ~~\$650~~ \$2,500.

29 (4) (a) The commissioner shall adjust the limitations in subsections (1) and (3) by multiplying each limit
30 by an inflation factor, which is determined by dividing the consumer price index for June of the year prior to the

1 year in which a general election is held by the consumer price index for June 2002.

2 (b) The resulting figure must be rounded up or down to the nearest:

3 (i) \$10 increment for the limits established in subsection (1); and

4 (ii) \$50 increment for the limits established in subsection (3).

5 (c) The commissioner shall publish the revised limitations as a rule.

6 (5) A candidate may not accept any contributions, including in-kind contributions, in excess of the limits
7 in this section.

8 (6) For purposes of this section, "election" means the general election or a primary election that involves
9 two or more candidates for the same nomination. If there is not a contested primary, there is only one election
10 to which the contribution limits apply. If there is a contested primary, then there are two elections to which the
11 contribution limits apply."
12

13 **Section 3.** Section 13-37-226, MCA, is amended to read:

14 **"13-37-226. Time for filing reports.** (1) Candidates for a state office filled by a statewide vote of all the
15 electors of Montana and political committees that are organized to support or oppose a particular statewide
16 candidate shall file reports electronically as follows:

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

20 (b) on the 10th day of March, April, July, August, and September;

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

22 (d) within ~~24~~ 72 hours after receiving a contribution of ~~\$200~~ \$500 or more if received between the 10th
23 day before the election and the day of the election;

24 (e) not more than 20 days after the date of the election; and

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

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

29 (a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter in
30 which the text of the proposed ballot issue is submitted for review and approval pursuant to 13-27-202 during the

1 year or years prior to the election year that an issue is or is expected to be on the ballot;

2 (b) on the 10th day of March and on the 10th day of each subsequent month through September in each
3 year that an election is to be held;

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

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

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

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

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

13 (a) on the 12th day preceding the date on which an election is held;

14 (b) within ~~48~~ 72 hours after receiving a contribution of ~~\$100~~ \$200 or more if received between the 17th
15 day before the election and the day of the election. The report under this subsection (3)(b) must be made by mail
16 or by electronic communication to the commissioner pursuant to 13-37-225.

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

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

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

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

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

29 (b) a report within 24 hours of making an expenditure or incurring a debt or obligation of \$500 or more
30 for election material described in 13-35-225(1) if made between the 17th day before the election and the day of

1 the election;

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

4 (d) a report on a date to be prescribed by the commissioner for a closing report at the close of each
5 calendar year.

6 (6) The commissioner may promulgate rules regarding the extent to which organizations that are
7 incidental political committees shall report their politically related activities in accordance with this chapter.

8 (7) Except as provided in subsections (1)(d), (2)(d), (3)(b), and (5)(b), all reports required by this section
9 must be complete as of the fifth day before the date of filing as specified in 13-37-228(2) and this section."
10

11 **Section 4.** Section 13-37-229, MCA, is amended to read:

12 **"13-37-229. Disclosure of contributions received.** Each report required by this chapter shall disclose
13 the following information:

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

15 (2) the full name, mailing address, occupation, and employer, if any, of each person who has made
16 aggregate contributions, other than loans, of ~~\$35~~ \$51 or more to a candidate or political committee, including the
17 purchase of tickets and other items for events, such as dinners, luncheons, rallies, and similar fundraising events;

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

21 (4) the total sum of individual contributions made to or for a political committee or candidate and not
22 reported under subsections (2) and (3);

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

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

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

30 (8) an itemized account of proceeds that total less than ~~\$35~~ \$51 from a person from mass collections

1 made at fundraising events;

2 (9) each contribution, rebate, refund, or other receipt not otherwise listed under subsections (2) through
3 (8) during the reporting period;

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

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

8

9 NEW SECTION. **Section 5. Repealer.** The following section of the Montana Code Annotated is
10 repealed:

11 13-37-218. Limitations on receipts from political committees.

12 - END -