

## 1 HOUSE BILL NO. 265

2 INTRODUCED BY FITZPATRICK, NOONAN

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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 DEFINITION OF "ELECTION" FOR THE PURPOSES OF  
9 DETERMINING CONTRIBUTION LIMITS; REVISING THE TIME AND TRIGGERING AMOUNT FOR FILING  
10 CERTAIN REPORTS OF CONTRIBUTIONS; RAISING THE AMOUNT OF AGGREGATE CONTRIBUTIONS  
11 THAT MUST BE RECEIVED FROM A CONTRIBUTOR BEFORE CERTAIN INFORMATION ABOUT THE  
12 CONTRIBUTOR MUST BE DISCLOSED; ELIMINATING THE LIMITATION ON AGGREGATE CONTRIBUTIONS  
13 THAT CERTAIN CANDIDATES MAY RECEIVE FROM POLITICAL COMMITTEES; AMENDING SECTIONS  
14 13-37-207, 13-37-216, 13-37-226, AND 13-37-229, MCA; AND REPEALING SECTION 13-37-218, MCA."

15

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

17

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

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

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

28

29 **Section 2.** Section 13-37-216, MCA, is amended to read:30 **"13-37-216. Limitations on contributions -- adjustment.** (1) (a) Subject to adjustment as provided for

1 in subsection (4), aggregate contributions for each election CYCLE in a campaign by a political committee or by  
 2 an individual, other than the candidate, to a candidate are limited as follows:

3 (i) for candidates filed jointly for the office of governor and lieutenant governor, not to exceed ~~\$500~~  
 4 ~~\$2,500~~ \$2,000;

5 (ii) for a candidate to be elected for state office in a statewide election, other than the candidates for  
 6 governor and lieutenant governor, not to exceed ~~\$250~~ ~~\$1,500~~ \$1,000;

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

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

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

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

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

18 (3) All political committees except those of political party organizations are subject to the provisions of  
 19 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 party  
 21 organizations may form political committees that are subject to the following aggregate limitations, adjusted as  
 22 provided for in subsection (4), from all political party committees:

23 (a) for candidates filed jointly for the offices of governor and lieutenant governor, not to exceed ~~\$18,000~~  
 24 ~~\$80,000~~ \$40,000;

25 (b) for a candidate to be elected for state office in a statewide election, other than the candidates for  
 26 governor and lieutenant governor, not to exceed ~~\$6,500~~ ~~\$40,000~~ \$20,000;

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

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

29 ~~(e)(c)~~ for a candidate for any other public office, not to exceed ~~\$650~~ ~~\$2,500~~ \$5,000.

30 (4) (a) The commissioner shall adjust the limitations in subsections (1) and (3) by multiplying each limit

1 by an inflation factor, which is determined by dividing the consumer price index for June of the year prior to the  
2 year in which a general election is held by the consumer price index for June 2002.

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

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

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

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

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

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

13

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

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

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

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

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

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

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

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

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

30 (a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter in

1 which the text of the proposed ballot issue is submitted for review and approval pursuant to 13-27-202 during the  
2 year or years prior to the election year that an issue is or is expected to be on the ballot;

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

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

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

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

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

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

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

15 (b) within ~~48~~ 72 hours after receiving a contribution of ~~\$400~~ \$200 or more if received between the 17th  
16 day before the election and the day of the election. The report under this subsection (3)(b) must be made by mail  
17 or by electronic communication to the commissioner pursuant to 13-37-225.

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

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

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

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

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

30 (b) a report within 24 hours of making an expenditure or incurring a debt or obligation of \$500 or more

1 for election material described in 13-35-225(1) if made between the 17th day before the election and the day of  
2 the election;

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

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

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

9 (7) Except as provided in subsections (1)(d), (2)(d), (3)(b), and (5)(b), all reports required by this section  
10 must be complete as of the fifth day before the date of filing as specified in 13-37-228(2) and this section."  
11

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

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

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

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

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

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

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

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

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

1 (8) an itemized account of proceeds that total less than ~~\$35~~ \$51 from a person from mass collections  
 2 made at fundraising events;

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

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

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

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

12 13-37-218. Limitations on receipts from political committees.

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 14 **COORDINATION SECTION. SECTION 6. COORDINATION INSTRUCTION.** (1) IF BOTH SENATE BILL NO. 375  
 15 AND [THIS ACT] ARE PASSED AND APPROVED AND IF BOTH CONTAIN A SECTION THAT AMENDS 13-37-216, THEN THE  
 16 SECTION OF [THIS ACT] AMENDING 13-37-216 IS VOID.

17 (2) IF BOTH HOUSE BILL NO. 229 AND [THIS ACT] ARE PASSED AND APPROVED AND IF BOTH CONTAIN A SECTION  
 18 THAT AMENDS 13-37-216, THEN THE SECTION OF HOUSE BILL NO. 229 THAT AMENDS 13-37-216 IS VOID.

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 20 **COORDINATION SECTION. SECTION 7. COORDINATION INSTRUCTION.** IF BOTH SENATE BILL NO. 375 AND  
 21 [THIS ACT] ARE PASSED AND APPROVED AND IF BOTH CONTAIN A SECTION THAT AMENDS 13-37-226, THEN THE SECTION  
 22 OF [THIS ACT] AMENDING 13-37-226 IS VOID.

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 24 **COORDINATION SECTION. SECTION 8. COORDINATION INSTRUCTION.** IF BOTH SENATE BILL NO. 375 AND  
 25 [THIS ACT] ARE PASSED AND APPROVED AND IF BOTH CONTAIN A SECTION THAT AMENDS 13-37-229, THEN THE SECTION  
 26 OF [THIS ACT] AMENDING 13-37-229 IS VOID.

27 - END -