

SENATE BILL NO. 363

INTRODUCED BY D. ANKNEY

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A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING CAMPAIGN FINANCE LAWS REGARDING PETITIONS TO QUALIFY A POLITICAL PARTY TO HOLD PRIMARY ELECTIONS; REQUIRING REPORTING OF CONTRIBUTIONS AND EXPENDITURES BY CERTAIN INDIVIDUALS AND COMMITTEES CONCERNING SUCH EFFORTS; PROVIDING PENALTIES; AMENDING SECTIONS 13-1-101 AND 13-37-121, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

NEW SECTION. **Section 1. Qualifying minor political parties -- reports required.** A person who spends or receives money in furtherance of an effort to qualify a minor political party for primary elections using the petitions described in 13-10-601(2) shall comply with the provisions of [sections 2 through 8].

NEW SECTION. **Section 2. Definitions.** For the purposes of [sections 2 though 8], the following definitions apply:

(1) (a) "Contribution" means:

(i) the receipt by a reporting entity of an advance, gift, loan, conveyance, deposit, payment, or distribution of money in furtherance of an effort to qualify a minor party for primary elections using a minor party petition;

(ii) an expenditure that is made in coordination with a minor party qualification committee formed by the minor party that is reportable by the minor party qualification committee as a contribution;

(iii) the receipt of funds transferred from another reporting entity for use in furtherance of an effort to qualify a minor party for primary elections using a minor party petition; or

(iv) the payment by a person other than a reporting entity of compensation for the personal services of another person that are rendered to the reporting entity in furtherance of an effort to qualify a minor party for primary elections using a minor party petition.

(b) The term does not mean services provided without compensation by individuals volunteering a portion or all of their time on behalf of the reporting entity.

(2) (a) "Expenditure" means a purchase, payment, distribution, loan, advance, promise, pledge, or gift



1 of money made by a reporting entity in furtherance of an effort to qualify a minor party for primary elections using
2 a minor party petition.

3 (b) The term does not mean:

4 (i) services, food, or lodging provided in a manner that they are not contributions under subsection (1);

5 (ii) the cost of any bona fide news story, commentary, blog, or editorial distributed through the facilities
6 of any broadcasting station, newspaper, magazine, or other periodical publication of general circulation; or

7 (iii) the cost of any communication by a membership organization or corporation to its members or
8 stockholders or employees.

9 (3) "In furtherance of" means referring to or depicting a minor political party in a manner that is
10 susceptible to no reasonable interpretation other than as a call for the political party to qualify to hold a primary
11 election.

12 (4) "Minor party" means a political party that does not qualify to hold a primary election under
13 13-10-601(1).

14 (5) "Minor party petition" means a petition described by 13-10-601(2).

15 (6) "Minor party qualification committee" means a combination of two or more individuals or a person
16 other than an individual organized in furtherance of an effort to qualify a minor political party for primary elections
17 using a minor party petition.

18 (7) (a) "Reporting entity" means the following entities which receive at least \$500 in aggregate
19 contributions in a calendar year or make at least \$500 in aggregate expenditures in a calendar year:

20 (i) except as provided by subsection (7)(b), an individual; or

21 (ii) a minor party qualification committee.

22 (b) The term does not mean an individual if the individual's contributions and expenditures are otherwise
23 reportable by a minor party qualification committee. This exception includes but is not limited to an individual who
24 is a signature gatherer if the signature gathering company, partnership, or other business organization that
25 directly hires, supervises, and pays the individual is otherwise required to report as a minor party qualification
26 committee under [sections 2 through 8].

27

28 **NEW SECTION. Section 3. Organization statement.** (1) Within 5 days of becoming a reporting entity,
29 the reporting entity shall certify its name and complete address with the commissioner.

30 (2) A minor party qualification committee shall include the following additional information in the

1 certification:

2 (a) the name and address of the committee's treasurer;

3 (b) the name and address of all officers, if any;

4 (c) an organizational statement; and

5 (d) the name and address of the depository designated for depositing all contributions received and
6 disbursing all expenditures made by the minor party qualification committee.

7 (3) Only a bank, credit union, savings and loan association, or building and loan association authorized
8 to transact business in Montana may be designated as a depository under subsection (2).

9

10 **NEW SECTION. Section 4. Reporting entity -- reports required -- exception.** (1) A reporting entity
11 shall keep detailed records of all contributions received and expenditures made by or on behalf of the reporting
12 entity. If the reporting entity is a minor party qualification committee, the treasurer appointed pursuant to [section
13 3] shall keep the records on behalf of the minor party qualification committee.

14 (2) A reporting entity may not knowingly report a contribution in the name of any person other than the
15 person by whom it was actually furnished.

16 (3) A reporting entity shall file periodic reports containing the information required by [section 6] pursuant
17 to the dates required by [section 5].

18 (4) Records kept pursuant to this section must be preserved by the reporting entity for 4 years from the
19 date prescribed in 13-10-601(2)(c) on which the signatures were presented or otherwise would have been
20 presented to the election administrator.

21 (5) The commissioner may inspect records or accounts that must be kept pursuant to [sections 2 through
22 8], as long as the inspection is made during reasonable office hours.

23 (6) If a reporting entity is otherwise required to file a report under Title 13, chapter 37, part 2, concerning
24 the same matters required to be reported under [sections 2 through 8], the reporting entity may not be required
25 to file a duplicate report or duplicate information but shall file the information in one report.

26

27 **NEW SECTION. Section 5. Reporting dates.** (1) A reporting entity shall file electronic reports
28 quarterly, due on the 15th day of January, April, July, and October, beginning in the quarter in which the individual
29 or minor party qualification committee becomes a reporting entity and ending when the reporting entity files a
30 closing report as provided by subsection (4).

1 (2) The initial report must include contributions and expenditures prior to the time a person became a
2 reporting entity until the 5th day before the date of filing of the initial report, even if the minor party petition
3 subsequently fails to garner sufficient signatures to qualify the minor party for primary elections.

4 (3) (a) Subsequent periodic reports must cover the period of time from the closing of the previous report
5 to 5 days before the date of filing of the next report.

6 (b) Reports required under subsection (1) must be filed quarterly until the reporting entity files a closing
7 report, even if no contributions have been received or no expenditures have been made during the reporting
8 period.

9 (4) (a) A reporting entity shall file a closing report whenever all debts and obligations relating to the effort
10 in furtherance of qualifying a minor political party for primary elections are satisfied and further contributions or
11 expenditures will not be received or made that relate to qualifying the minor political party for primary elections
12 using the minor party petition.

13 (b) A closing report may be combined with the reporting entity's final quarterly report. However, the
14 combined report must cover the period of time from the closing of the previous report until the date of filing of the
15 combined quarterly and closing report.

16 (c) If the reporting entity does not file the closing report with the final quarterly report, the closing report
17 must cover the period of the time from the closing of the last quarterly report until the date of the closing report.

18 (5) A reporting entity may file a combined opening and closing report if it otherwise comports with the
19 requirements of this section.

20

21 **NEW SECTION. Section 6. Content of reports.** (1) The periodic reports required by [section 4] must
22 contain information concerning contributions received or expenditures made by or on behalf of the reporting
23 entity. The reports must contain the following information:

24 (a) for contributions received:

25 (i) the amount of cash on hand at the beginning of the reporting period;

26 (ii) the full name, mailing address, occupation, and employer, if any, of each person who has made
27 aggregate contributions of \$35 or more;

28 (iii) for each person identified under subsection (1)(a)(ii), the aggregate amount of contributions made
29 by that person within the reporting period and the total amount of contributions made by that person for all
30 reporting periods;

- 1 (iv) the total sum of individual contributions made by the reporting entity and not reported under
2 subsections (1)(a)(ii) and (1)(a)(iii);
- 3 (v) the name and address of each person from which the reporting entity received any transfer of funds
4 for the purpose of furthering an effort to qualify a minor party for primary elections using a minor party petition,
5 together with the amount and dates of all transfers;
- 6 (vi) each loan of funds designated for use or used in furtherance of an effort to qualify a minor party for
7 primary elections using a minor party petition from any person during the reporting period, together with the full
8 names, mailing addresses, occupations, and employers, if any, of the lender and endorsers, if any, and the date
9 and amount of each loan;
- 10 (vii) the amount and nature of debts and obligations owed to a reporting entity relating to the reporting
11 entity's effort to qualify a minor party for primary elections using a minor party petition, in the form prescribed by
12 the commissioner;
- 13 (viii) an itemized account of proceeds that total less than \$35 from a person from mass collections made
14 at fundraising events;
- 15 (ix) each contribution not otherwise listed under subsections (1)(a)(ii) through (1)(a)(viii) during the
16 reporting period;
- 17 (x) the total sum of all contributions received by or for the reporting entity during the reporting period; and
- 18 (xi) other information that may be required by the commissioner to fully disclose the sources of funds
19 used in furtherance of an effort to qualify a minor party for primary elections using a minor party petition.
- 20 (b) for expenditures made:
- 21 (i) the full name, mailing address, occupation, and principal place of business, if any, of each person to
22 whom expenditures have been made by the reporting entity during the reporting period, including the amount,
23 date, and purpose of each expenditure and the total amount of expenditures made to each person;
- 24 (ii) the full name, mailing address, occupation, and principal place of business, if any, of each person to
25 whom an expenditure for personal services, salaries, and reimbursed expenses has been made, including the
26 amount, date, and purpose of that expenditure and the total amount of expenditures made to each person;
- 27 (iii) the total sum of expenditures made by the reporting entity during the reporting period;
- 28 (iv) the name and address of each person to which the reporting entity made any transfer of funds in
29 furtherance of an effort to qualify a minor party for primary elections using a minor party petition, together with
30 the amount and dates of all transfers;

1 (v) the name of any person to whom a loan was made during the reporting period using funds designated
 2 for the purpose of furthering an effort to qualify a minor party for primary elections using a minor party petition,
 3 including the full name, mailing address, occupation, and principal place of business, if any, of that person and
 4 the full names, mailing addresses, occupations, and principal places of business, if any, of the endorsers, if any,
 5 and the date and amount of each loan;

6 (vi) the amount and nature of debts and obligations owed by the reporting entity relating to the reporting
 7 entity's effort to qualify a minor party for primary elections using a minor party petition in a form prescribed by the
 8 commissioner; and

9 (vii) other information that may be required by the commissioner to fully disclose the disposition of funds
 10 used in furtherance of an effort to qualify a minor party for primary elections using a minor party petition.

11 (2) Reports of expenditures made to a consultant or other person that performs services for or on behalf
 12 of a reporting entity must be itemized and described in sufficient detail to disclose the specific services performed
 13 by the entity to which payment or reimbursement was made.

14 (3) Reports required by [section 4] must be verified as true, complete, and correct by the oath or
 15 affirmation of the individual filing the report.

16
 17 **NEW SECTION. Section 7. Forms.** The commissioner shall prescribe reporting forms required for
 18 submissions under [sections 2 through 8].

19
 20 **NEW SECTION. Section 8. Penalties.** A person who violates the reporting requirements of [sections
 21 2 through 8] is subject to civil liability under 13-37-128(1) for an amount up to \$500 or three times the amount of
 22 the unlawful expenditures or contributions, whichever is greater.

23
 24 **Section 9.** Section 13-1-101, MCA, is amended to read:

25 **"13-1-101. Definitions.** As used in this title, unless the context clearly indicates otherwise, the following
 26 definitions apply:

27 (1) "Active elector" means an elector whose name has not been placed on the inactive list due to failure
 28 to respond to confirmation notices pursuant to 13-2-220 or 13-19-313.

29 (2) "Active list" means a list of active electors maintained pursuant to 13-2-220.

30 (3) "Anything of value" means any goods that have a certain utility to the recipient that is real and that

1 is ordinarily not given away free but is purchased.

2 (4) "Application for voter registration" means a voter registration form prescribed by the secretary of state
3 that is completed and signed by an elector, is submitted to the election administrator, and contains voter
4 registration information subject to verification as provided by law.

5 (5) "Ballot" means a paper ballot counted manually or a paper ballot counted by a machine, such as an
6 optical scan system or other technology that automatically tabulates votes cast by processing the paper ballots.

7 (6) (a) "Ballot issue" or "issue" means a proposal submitted to the people at an election for their approval
8 or rejection, including but not limited to an initiative, referendum, proposed constitutional amendment, recall
9 question, school levy question, bond issue question, or ballot question.

10 (b) For the purposes of chapters 35 and 37, an issue becomes a "ballot issue" upon certification by the
11 proper official that the legal procedure necessary for its qualification and placement on the ballot has been
12 completed, except that a statewide issue becomes a "ballot issue" upon preparation and transmission by the
13 secretary of state of the form of the petition or referral to the person who submitted the proposed issue.

14 (7) "Ballot issue committee" means a political committee specifically organized to support or oppose a
15 ballot issue.

16 (8) "Candidate" means:

17 (a) an individual who has filed a declaration or petition for nomination, acceptance of nomination, or
18 appointment as a candidate for public office as required by law;

19 (b) for the purposes of chapter 35, 36, or 37, an individual who has solicited or received and retained
20 contributions, made expenditures, or given consent to an individual, organization, political party, or committee
21 to solicit or receive and retain contributions or make expenditures on the individual's behalf to secure nomination
22 or election to any office at any time, whether or not the office for which the individual will seek nomination or
23 election is known when the:

24 (i) solicitation is made;

25 (ii) contribution is received and retained; or

26 (iii) expenditure is made; or

27 (c) an officeholder who is the subject of a recall election.

28 (9) (a) "Contribution" means:

29 (i) the receipt by a candidate or a political committee of an advance, gift, loan, conveyance, deposit,
30 payment, or distribution of money or anything of value to support or oppose a candidate or a ballot issue;

1 (ii) an expenditure, including an in-kind expenditure, that is made in coordination with a candidate or ballot
2 issue committee and is reportable by the candidate or ballot issue committee as a contribution;

3 (iii) the receipt by a political committee of funds transferred from another political committee; or

4 (iv) the payment by a person other than a candidate or political committee of compensation for the
5 personal services of another person that are rendered to a candidate or political committee.

6 (b) ~~"Contribution"~~ The term does not mean services provided without compensation by individuals
7 volunteering a portion or all of their time on behalf of a candidate or political committee or meals and lodging
8 provided by individuals in their private residences for a candidate or other individual.

9 (c) This definition does not apply to [sections 2 through 8].

10 (10) "Coordinated", including any variations of the term, means made in cooperation with, in consultation
11 with, at the request of, or with the express prior consent of a candidate or political committee or an agent of a
12 candidate or political committee.

13 (11) "De minimis act" means an action, contribution, or expenditure that is so small that it does not trigger
14 registration, reporting, disclaimer, or disclosure obligations under Title 13, chapter 35 or 37, or warrant
15 enforcement as a campaign practices violation under Title 13, chapter 37.

16 (12) "Election" means a general, special, or primary election held pursuant to the requirements of state
17 law, regardless of the time or purpose.

18 (13) (a) "Election administrator" means, except as provided in subsection (13)(b), the county clerk and
19 recorder or the individual designated by a county governing body to be responsible for all election administration
20 duties, except that with regard to school elections not administered by the county, the term means the school
21 district clerk.

22 (b) As used in chapter 2 regarding voter registration, the term means the county clerk and recorder or
23 the individual designated by a county governing body to be responsible for all election administration duties even
24 if the school election is administered by the school district clerk.

25 (14) (a) "Election communication" means the following forms of communication to support or oppose a
26 candidate or ballot issue:

27 (i) a paid advertisement broadcast over radio, television, cable, or satellite;

28 (ii) paid placement of content on the internet or other electronic communication network;

29 (iii) a paid advertisement published in a newspaper or periodical or on a billboard;

30 (iv) a mailing; or

1 (v) printed materials.

2 (b) The term does not mean:

3 (i) an activity or communication for the purpose of encouraging individuals to register to vote or to vote,
4 if that activity or communication does not mention or depict a clearly identified candidate or ballot issue;

5 (ii) a communication that does not support or oppose a candidate or ballot issue;

6 (iii) a bona fide news story, commentary, blog, or editorial distributed through the facilities of any
7 broadcasting station, newspaper, magazine, internet website, or other periodical publication of general circulation;

8 (iv) a communication by any membership organization or corporation to its members, stockholders, or
9 employees; or

10 (v) a communication that the commissioner determines by rule is not an election communication.

11 (15) "Election judge" means a person who is appointed pursuant to Title 13, chapter 4, part 1, to perform
12 duties as specified by law.

13 (16)(a) "Electioneering communication" means a paid communication that is publicly distributed by radio,
14 television, cable, satellite, internet website, newspaper, periodical, billboard, mail, or any other distribution of
15 printed materials, that is made within 60 days of the initiation of voting in an election, that does not support or
16 oppose a candidate or ballot issue, that can be received by more than 100 recipients in the district voting on the
17 candidate or ballot issue, and that:

18 (i) refers to one or more clearly identified candidates in that election;

19 (ii) depicts the name, image, likeness, or voice of one or more clearly identified candidates in that
20 election; or

21 (iii) refers to a political party, ballot issue, or other question submitted to the voters in that election.

22 (b) The term does not mean:

23 (i) a bona fide news story, commentary, blog, or editorial distributed through the facilities of any
24 broadcasting station, newspaper, magazine, internet website, or other periodical publication of general circulation
25 unless the facilities are owned or controlled by a candidate or political committee;

26 (ii) a communication by any membership organization or corporation to its members, stockholders, or
27 employees;

28 (iii) a commercial communication that depicts a candidate's name, image, likeness, or voice only in the
29 candidate's capacity as owner, operator, or employee of a business that existed prior to the candidacy;

30 (iv) a communication that constitutes a candidate debate or forum or that solely promotes a candidate

- 1 debate or forum and is made by or on behalf of the person sponsoring the debate or forum; or
- 2 (v) a communication that the commissioner determines by rule is not an electioneering communication.
- 3 (17) "Elector" means an individual qualified to vote under state law.
- 4 (18) (a) "Expenditure" means a purchase, payment, distribution, loan, advance, promise, pledge, or gift
- 5 of money or anything of value:
- 6 (i) made by a candidate or political committee to support or oppose a candidate or a ballot issue; or
- 7 (ii) used or intended for use in making independent expenditures or in producing electioneering
- 8 communications.
- 9 (b) ~~"Expenditure"~~ The term does not mean:
- 10 (i) services, food, or lodging provided in a manner that they are not contributions under subsection (9);
- 11 (ii) payments by a candidate for personal travel expenses, food, clothing, lodging, or personal necessities
- 12 for the candidate and the candidate's family;
- 13 (iii) the cost of any bona fide news story, commentary, blog, or editorial distributed through the facilities
- 14 of any broadcasting station, newspaper, magazine, or other periodical publication of general circulation; or
- 15 (iv) the cost of any communication by any membership organization or corporation to its members or
- 16 stockholders or employees.
- 17 (c) This definition does not apply to [sections 2 through 8].
- 18 (19) "Federal election" means an election in even-numbered years in which an elector may vote for
- 19 individuals for the office of president of the United States or for the United States congress.
- 20 (20) "General election" means an election that is held for offices that first appear on a primary election
- 21 ballot, unless the primary is canceled as authorized by law, and that is held on a date specified in 13-1-104.
- 22 (21) "Inactive elector" means an individual who failed to respond to confirmation notices and whose name
- 23 was placed on the inactive list pursuant to 13-2-220 or 13-19-313.
- 24 (22) "Inactive list" means a list of inactive electors maintained pursuant to 13-2-220 or 13-19-313.
- 25 (23) (a) "Incidental committee" means a political committee that is not specifically organized or operating
- 26 for the primary purpose of supporting or opposing candidates or ballot issues but that may incidentally become
- 27 a political committee by receiving a contribution or making an expenditure.
- 28 (b) For the purpose of this subsection (23), the primary purpose is determined by the commissioner by
- 29 rule and includes criteria such as the allocation of budget, staff, or members' activity or the statement of purpose
- 30 or goal of the person or individuals that form the committee.

1 (24) "Independent committee" means a political committee organized for the primary purpose of receiving
2 contributions and making expenditures that is not controlled either directly or indirectly by a candidate and that
3 does not coordinate with a candidate in conjunction with the making of expenditures except pursuant to the limits
4 set forth in 13-37-216(1).

5 (25) "Independent expenditure" means an expenditure for an election communication to support or
6 oppose a candidate or ballot issue made at any time that is not coordinated with a candidate or ballot issue
7 committee.

8 (26) "Individual" means a human being.

9 (27) "Legally registered elector" means an individual whose application for voter registration was
10 accepted, processed, and verified as provided by law.

11 (28) "Mail ballot election" means any election that is conducted under Title 13, chapter 19, by mailing
12 ballots to all active electors.

13 (29) "Person" means an individual, corporation, association, firm, partnership, cooperative, committee,
14 including a political committee, club, union, or other organization or group of individuals or a candidate as defined
15 in subsection (8).

16 (30) "Place of deposit" means a location designated by the election administrator pursuant to 13-19-307
17 for a mail ballot election conducted under Title 13, chapter 19.

18 (31) (a) "Political committee" means a combination of two or more individuals or a person other than an
19 individual who receives a contribution or makes an expenditure:

20 (i) to support or oppose a candidate or a committee organized to support or oppose a candidate or a
21 petition for nomination;

22 (ii) to support or oppose a ballot issue or a committee organized to support or oppose a ballot issue; or

23 (iii) to prepare or disseminate an election communication, an electioneering communication, or an
24 independent expenditure.

25 (b) Political committees include ballot issue committees, incidental committees, independent committees,
26 and political party committees.

27 (c) A candidate and the candidate's treasurer do not constitute a political committee.

28 (d) A political committee is not formed when a combination of two or more individuals or a person other
29 than an individual makes an election communication, an electioneering communication, or an independent
30 expenditure of \$250 or less.

1 (32) "Political party committee" means a political committee formed by a political party organization and
2 includes all county and city central committees.

3 (33) "Political party organization" means a political organization that:

4 (a) was represented on the official ballot in either of the two most recent statewide general elections; or

5 (b) has met the petition requirements provided in Title 13, chapter 10, part 5.

6 (34) "Political subdivision" means a county, consolidated municipal-county government, municipality,
7 special purpose district, or any other unit of government, except school districts, having authority to hold an
8 election.

9 (35) "Polling place election" means an election primarily conducted at polling places rather than by mail
10 under the provisions of Title 13, chapter 19.

11 (36) "Primary" or "primary election" means an election held on a date specified in 13-1-107 to nominate
12 candidates for offices filled at a general election.

13 (37) "Provisional ballot" means a ballot cast by an elector whose identity or eligibility to vote has not been
14 verified as provided by law.

15 (38) "Provisionally registered elector" means an individual whose application for voter registration was
16 accepted but whose identity or eligibility has not yet been verified as provided by law.

17 (39) "Public office" means a state, county, municipal, school, or other district office that is filled by the
18 people at an election.

19 (40) "Random-sample audit" means an audit involving a manual count of ballots from designated races
20 and ballot issues in precincts selected through a random process as provided in 13-17-503.

21 (41) "Registrar" means the county election administrator and any regularly appointed deputy or assistant
22 election administrator.

23 (42) "Regular school election" means the school trustee election provided for in 20-20-105(1).

24 (43) "School election" has the meaning provided in 20-1-101.

25 (44) "School election filing officer" means the filing officer with whom the declarations for nomination for
26 school district office were filed or with whom the school ballot issue was filed.

27 (45) "School recount board" means the board authorized pursuant to 20-20-420 to perform recount duties
28 in school elections.

29 (46) "Signature envelope" means an envelope that contains a secrecy envelope and ballot and that is
30 designed to:

1 (a) allow election officials, upon examination of the outside of the envelope, to determine that the ballot
2 is being submitted by someone who is in fact a qualified elector and who has not already voted; and

3 (b) allow it to be used in the United States mail.

4 (47) "Special election" means an election held on a day other than the day specified for a primary
5 election, general election, or regular school election.

6 (48) "Special purpose district" means an area with special boundaries created as authorized by law for
7 a specialized and limited purpose.

8 (49) "Statewide voter registration list" means the voter registration list established and maintained
9 pursuant to 13-2-107 and 13-2-108.

10 (50) "Support or oppose", including any variations of the term, means:

11 (a) using express words, including but not limited to "vote", "oppose", "support", "elect", "defeat", or
12 "reject", that call for the nomination, election, or defeat of one or more clearly identified candidates, the election
13 or defeat of one or more political parties, or the passage or defeat of one or more ballot issues submitted to voters
14 in an election; or

15 (b) otherwise referring to or depicting one or more clearly identified candidates, political parties, or ballot
16 issues in a manner that is susceptible of no reasonable interpretation other than as a call for the nomination,
17 election, or defeat of the candidate in an election, the election or defeat of the political party, or the passage or
18 defeat of the ballot issue or other question submitted to the voters in an election.

19 (51) "Valid vote" means a vote that has been counted as valid or determined to be valid as provided in
20 13-15-206.

21 (52) "Voted ballot" means a ballot that is:

22 (a) deposited in the ballot box at a polling place;

23 (b) received at the election administrator's office; or

24 (c) returned to a place of deposit.

25 (53) "Voting system" or "system" means any machine, device, technology, or equipment used to
26 automatically record, tabulate, or process the vote of an elector cast on a paper ballot."

27

28 **Section 10.** Section 13-37-121, MCA, is amended to read:

29 **"13-37-121. Inspection of statements and reports -- issuance of orders of noncompliance.** (1) Each
30 statement and report filed with the commissioner during an election or within 60 days after the election must be

1 inspected within 20 days after the statement or report is filed. A statement or report concerning [sections 2
2 through 8] must be inspected within 20 days after filing. Intermediate Saturdays, Sundays, and holidays must be
3 excluded in the computation of time under this section. If a person has not satisfied the provisions of this chapter,
4 the commissioner shall immediately notify the person of the noncompliance. Notification by the commissioner may
5 be accomplished by written or electronic communication or by telephone. If the person fails to comply after the
6 notification, the commissioner shall issue an order of noncompliance as provided in this section.

7 (2) An order of noncompliance may be issued when:

8 (a) upon examination of the official ballot, it appears that the person has failed to file a statement or
9 report as required by this chapter or that a statement or report filed by a person does not conform to law; or

10 (b) it is determined that a statement or report filed with the commissioner does not conform to the
11 requirements of this chapter or that a person has failed to file a statement or report required by law.

12 (3) If an order of noncompliance is issued during a campaign period or within 60 days after an election,
13 a candidate or political committee shall submit the necessary information within 5 days after receiving the order
14 of noncompliance. Upon a failure to submit the required information within the time specified, the appropriate
15 county attorney or the commissioner may initiate a civil or criminal action pursuant to the procedures outlined in
16 13-37-124 and 13-37-125.

17 (4) If an order of noncompliance is issued during any period other than that described in subsection (3),
18 a candidate, ~~or~~ political committee, or reporting entity as defined in [section 2] shall submit the necessary
19 information within 10 days after receiving the order of noncompliance. Upon a failure to submit the required
20 information within the time specified, the appropriate county attorney or the commissioner shall initiate a civil or
21 criminal action pursuant to the procedures outlined in 13-37-124 and 13-37-125.

22 (5) After a complaint is filed with the commissioner pursuant to 13-37-111, the procedure described in
23 this section regarding the provision of notice and issuance of orders of noncompliance is not a prerequisite to
24 initiation of any other administrative or judicial action authorized under chapter 35 of this title or this chapter."
25

26 **NEW SECTION. Section 11. Codification instruction.** (1) [Section 1] is intended to be codified as
27 an integral part of Title 13, chapter 10, part 6, and the provisions of Title 13, chapter 10, part 6, apply to [section
28 1].

29 (2) [Sections 2 through 8] are intended to be codified as an integral part of Title 13, chapter 37, and the
30 provisions of Title 13, chapter 37, apply to [sections 2 through 8].

