

1 SENATE BILL NO. 393
2 INTRODUCED BY S. FITZPATRICK, D. SALOMON

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING CAMPAIGN FINANCE LAWS; REMOVING THE
5 REQUIREMENT THAT CAMPAIGN TREASURERS MUST BE REGISTERED VOTERS; ELIMINATING THE
6 REQUIREMENT THAT AN UNOPPOSED CANDIDATE FILE 48-HOUR REPORTS; CLARIFYING THE TIME
7 OF DAY WHEN A REPORT IS DUE; PROVIDING EXCEPTIONS FOR CERTAIN DISCLOSURE
8 REQUIREMENTS RELATED TO 48-HOUR REPORTS; ~~AND DEBT, AND CONTRIBUTORS' OCCUPATIONS~~
9 ~~AND EMPLOYERS~~; REVISING REPORTING REQUIREMENTS FOR INCIDENTAL COMMITTEES; AND
10 AMENDING SECTIONS 13-37-203, 13-37-226, 13-37-229, AND 13-37-232, MCA."

11
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13
14 **Section 1.** Section 13-37-203, MCA, is amended to read:

15 **"13-37-203. Qualifications of campaign Campaign and deputy campaign treasurers.** (1) Any
16 campaign or deputy campaign treasurer appointed pursuant to 13-37-201 and 13-37-202 must be a registered
17 voter in this state. (1) Any campaign or deputy campaign treasurer appointed pursuant to 13-37-201 and 13-37-
18 202 must be a resident of the state of Montana.

19 ~~(2)~~ (2) An individual may be appointed and serve as a campaign treasurer of a candidate, political
20 committee, or joint fundraising committee or two or more candidates, political committees, or joint fundraising
21 committees. A candidate may serve as the candidate's own campaign or deputy campaign treasurer or as the
22 treasurer or deputy treasurer of a joint fundraising committee in which the candidate is a participant. An
23 individual may not serve as a campaign or deputy campaign treasurer or perform any duty required of a
24 campaign or deputy campaign treasurer of a candidate, political committee, or joint fundraising committee until
25 the individual has been designated and the individual's name certified by the candidate or political committee."

26
27 **Section 2.** Section 13-37-226, MCA, is amended to read:

28 **"13-37-226. Time for filing reports.** (1) Except as provided in 13-37-206 and 13-37-225(3), a

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1 candidate shall file reports required by 13-37-225(1)(a) containing the information required by 13-37-229, 13-
2 37-231, and 13-37-232 as follows:

3 (a) quarterly, due on the 5th day following a calendar quarter, beginning with the calendar quarter
4 in which funds are received or expended during the year or years prior to the election year that the candidate
5 expects to be on the ballot and ending in the final quarter of the year preceding the year of an election in which
6 the candidate participates;

7 (b) except as provided in subsection (4)(a), the 20th day of March, April, May, June, August,
8 September, October, and November in the year of an election in which the candidate participates;

9 (c) except as provided in subsection (6), within 2 business days of receiving a contribution of \$250
10 ~~or more if the candidate is a candidate for a statewide office or \$125 or more for any other candidate equal to~~
11 the applicable limitation provided in 13-37-216 for the candidate if the contribution is received between the 15th
12 day of the month preceding an election in which the candidate participates and the day before the election;

13 (d) except as provided in subsection (6), within 2 business days of making an expenditure of \$250
14 ~~an amount equal to or more if the candidate is a candidate for statewide office or \$125 or more for any other~~
15 ~~candidate than the applicable contribution limitation provided in 13-37-216 for the candidate~~ if made between
16 the 15th day of the month preceding an election in which the candidate participates and the day before the
17 election;

18 (e) semiannually on the 10th day of March and September, starting in the year following an
19 election in which the candidate participates until the candidate files a closing report as specified in 13-37-
20 228(3); and

21 (f) as provided by subsection (3).

22 (2) Except as provided in 13-37-206, 13-37-225(3), and 13-37-227, a political committee or a joint
23 fundraising committee shall file reports required by 13-37-225(1)(a) containing the information required by 13-
24 37-229, 13-37-231, and 13-37-232 as follows:

25 (a) quarterly, due on the 5th day following a calendar quarter, beginning with the calendar quarter
26 in which the political committee or the joint fundraising committee receives a contribution or makes an
27 expenditure after an individual becomes a candidate or an issue becomes a ballot issue, as defined in 13-1-
28 101(6)(b), and ending in the final quarter of the year preceding the year in which the candidate or the ballot

1 issue appears on the ballot;

2 (b) except as provided in subsection (4)(b), the 30th day of March, April, May, June, August,
3 September, October, and November in the year of an election in which the political committee or the joint
4 fundraising committee participates;

5 (c) within 2 business days of receiving a contribution, except as provided in 13-37-232, of \$500 or
6 more if received between the 25th day of the month before an election in which the political committee or the
7 joint fundraising committee participates and the day before the election;

8 (d) within 2 business days of making an expenditure of \$500 or more that is made between the
9 25th day of the month before an election in which the political committee or the joint fundraising committee
10 participates and the day before the election;

11 (e) quarterly, due on the 5th day following a calendar quarter, beginning in the calendar quarter
12 following a year of an election in which the political committee or the joint fundraising committee participates
13 until the political committee or the joint fundraising committee files a closing report as specified in 13-37-228(3);
14 and

15 (f) as provided by subsection (3).

16 (3) In addition to the reports required by subsections (1), (2), and (4), if a candidate, political
17 committee, or joint fundraising committee participates in a special election, the candidate, political committee,
18 or joint fundraising committee shall file reports as follows:

19 (a) a report on the 60th, 35th, and 12th days preceding the date of the special election; and

20 (b) 20 days after the special election.

21 (4) (a) A candidate for a municipal office who participates in an election held in an odd-numbered
22 year shall file the reports required in subsection (1) on the 20th day of June, July, August, September, October,
23 and November of the year of the election in which the candidate participates.

24 (b) A political committee that participates in a municipal election held in an odd-numbered year
25 shall file the reports required in subsection (2) on the 30th day of June, July, August, September, October, and
26 November of the year of the election in which the committee participates.

27 (5) Except as provided by 13-37-206, candidates for a local office and political committees that
28 receive contributions or make expenditures referencing a particular local issue or a local candidate shall file the

1 reports specified in subsections (1) through (4) only if the total amount of contributions received or the total
2 amount of funds expended for all elections in a campaign exceeds \$500.

3 (6) A candidate is not required to file a report required by subsection (1)(c) or (1)(d) if the
4 candidate is not opposed in the election.

5 (6)(7) A report required by this section must cover contributions received and expenditures made
6 pursuant to the time periods specified in 13-37-228.

7 (8) A report required by this section is due by 11:59 p.m. on the due date.

8 (7)(9) A political committee may file a closing report prior to the date in 13-37-228(3) and after the
9 complete termination of its contribution and expenditure activity during an election cycle.

10 (8)(10) For the purposes of this section:

11 (a) a candidate participates in an election by attempting to secure nomination or election to an
12 office that appears on the ballot; and

13 (b) a political committee or a joint fundraising committee participates in an election by receiving a
14 contribution or making an expenditure."

15

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

17 **"13-37-229. Disclosure requirements for candidates, ballot issue committees, political party**
18 **committees, and independent committees -- exceptions.** (1) The reports required under 13-37-225 through
19 13-37-227 from candidates, ballot issue committees, political party committees, independent committees, and
20 joint fundraising committees must disclose the following information concerning contributions received:

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

22 (b) except as provided in subsection (5), the full name, mailing address, occupation, and employer,
23 if any, of each person who has made aggregate contributions, other than loans, of \$50 or more to a candidate,
24 political committee, or joint fundraising committee, including the purchase of tickets and other items for events,
25 such as dinners, luncheons, rallies, and similar fundraising events. If a contribution is made by a joint
26 fundraising committee to a participant in the joint fundraising committee, the participant shall disclose the
27 information in this subsection (1)(b) for each contributor of the funds allocated to the participant by the joint
28 fundraising committee.

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1 (c) for each person identified under subsection (1)(b), the aggregate amount of contributions made
2 by that person within the reporting period and the total amount of contributions made by that person for all
3 reporting periods;

4 (d) the total sum of individual contributions made to or for a political committee, candidate, or joint
5 fundraising committee and not reported under subsections (1)(b) and (1)(c);

6 (e) the name and address of each political committee, candidate, or joint fundraising committee
7 from which the reporting committee or candidate received any transfer of funds, together with the amount and
8 dates of all transfers;

9 (f) ~~except as provided in subsection (5),~~ each loan from any person during the reporting period,
10 together with the full names, mailing addresses, occupations, and employers, if any, of the lender and
11 endorsers, if any, and the date and amount of each loan;

12 (g) ~~except as provided in subsection (6) (5),~~ the amount and nature of debts and obligations owed
13 to a political committee, candidate, or joint fundraising committee in the form prescribed by the commissioner;

14 (h) an itemized account of proceeds that total less than \$50 from a person from mass collections
15 made at fundraising events;

16 (i) each contribution, rebate, refund, or other receipt not otherwise listed under subsections (1)(b)
17 through (1)(h) during the reporting period; and

18 (j) the total sum of all receipts received by or for the committee or candidate during the reporting
19 period.

20 (2) (a) Except as provided in subsection (2)(c), the reports required under 13-37-225 through 13-
21 37-227 from candidates, ballot issue committees, political party committees, independent committees, and joint
22 fundraising committees must disclose the following information concerning expenditures made:

23 (i) the full name, mailing address, occupation, and principal place of business, if any, of each
24 person to whom expenditures have been made by the committee or candidate during the reporting period,
25 including the amount, date, and purpose of each expenditure and the total amount of expenditures made to
26 each person;

27 (ii) the full name, mailing address, occupation, and principal place of business, if any, of each
28 person to whom an expenditure for personal services, salaries, and reimbursed expenses has been made,

1 including the amount, date, and purpose of that expenditure and the total amount of expenditures made to each
2 person;

3 (iii) the total sum of expenditures made by a political committee, candidate, or joint fundraising
4 committee during the reporting period. If the expenditure is made by a joint fundraising committee, the joint
5 fundraising committee shall report gross and net allocations to each participant.

6 (iv) the name and address of each political committee, candidate, or joint fundraising committee to
7 which the reporting committee or candidate made any transfer of funds, together with the amount and dates of
8 all transfers;

9 (v) the name of any person to whom a loan was made during the reporting period, including the full
10 name, mailing address, occupation, and principal place of business, if any, of that person and the full names,
11 mailing addresses, occupations, and principal places of business, if any, of the endorsers, if any, and the date
12 and amount of each loan;

13 (vi) except as provided in subsection ~~(6)~~ (5), the amount and nature of debts and obligations owed
14 by a political committee, candidate, or joint fundraising committee in the form prescribed by the commissioner;
15 and

16 (vii) if a joint fundraising committee allocated contributions to a participant, the contribution
17 information under subsections (1)(a) through (1)(c) for each contributor that contributed to the gross amount
18 allocated by the joint fundraising committee to the participant.

19 (b) Reports of expenditures made to a consultant, advertising agency, polling firm, or other person
20 that performs services for or on behalf of a candidate, political committee, or joint fundraising committee must
21 be itemized and described in sufficient detail to disclose the specific services performed by the entity to which
22 payment or reimbursement was made.

23 (c) A candidate is required to report the information specified in this subsection (2) only if the
24 transactions involved were undertaken for the purpose of supporting or opposing a candidate.

25 (d) Subsection (2)(a)(vii) applies only to the report of a joint fundraising committee.

26 (3) (a) A candidate, a political committee, or a joint fundraising committee is not required to report
27 the following expenditures under the 2-business-day reporting requirements in 13-37-226(1)(d) and (2)(d):

28 (i) bookkeeping expenses paid to track and ensure campaign finance compliance; ~~and~~

- 1 (ii) payroll expenditures;
- 2 (iii) mileage; and
- 3 (iv) payment on a previously disclosed debt.

4 (b) A candidate, a political committee, or a joint fundraising committee is not relieved of the duty to
 5 report the expenditures listed in subsection (3)(a) in the next periodic report.

6 (4) A candidate is not required to report:

7 (a) contributions received from a political party committee for compensation of the personal
 8 services of another person that are rendered to the candidate if the political party committee reports the amount
 9 of contributions made to the candidate in the form of personal services; and

10 (b) tangible campaign materials such as campaign signage, literature, or photographs produced
 11 for a previous campaign or video produced for a previous campaign if the expenditures to produce the tangible
 12 materials or video were reported in a previous campaign by the candidate.

13 ~~(5) A candidate, political committee, or joint fundraising committee shall request the occupation~~
 14 ~~and employer of a contributor or person who provided a loan to the candidate, political committee, or joint~~
 15 ~~fundraising committee. If the contributor or person who provided a loan does not provide the requested~~
 16 ~~information, the candidate, political committee, or joint fundraising committee is only required to report what is~~
 17 ~~provided.~~

18 ~~(6)(5) A candidate, political committee, or joint fundraising committee is not required to report a debt~~
 19 ~~or obligation unless the debt or obligation exists and has not been paid as of the day the report must be filed."~~

21 **Section 4.** Section 13-37-232, MCA, is amended to read:

22 **"13-37-232. Disclosure requirements for incidental committees.** (1) A combination of two or more
 23 individuals or a person other than an individual that would otherwise qualify as an incidental committee but that
 24 receives less than \$250 in contributions or that makes less than \$250 in expenditures does not form a political
 25 committee and is not required to file as an incidental committee.

26 (2) The reports required under 13-37-225 through 13-37-227 from incidental committees must
 27 disclose the following information concerning contributions to the committee that are designated by the
 28 contributor for a specified candidate, ballot issue, or petition for nomination or that are made by the contributor

1 in response to an appeal by the incidental committee for contributions to support incidental committee election
2 activity, including in-kind expenditures, independent expenditures, election communications, or electioneering
3 communications:

4 (a) except as provided in subsection (5), the full name, mailing address, occupation, and employer,
5 if any, of each person who has made aggregate contributions during the reporting period for a specified
6 candidate, ballot issue, or petition for nomination of \$35 or more;

7 (b) for each person identified under subsection (2)(a), the aggregate amount of contributions made
8 by that person for all reporting periods;

9 (c) except as provided in subsection (5), each loan received from any person during the reporting
10 period for a specified candidate, ballot issue, or petition for nomination, together with the full names, mailing
11 addresses, occupations, and employers, if any, of the lender and endorsers, if any, and the date and amount of
12 each loan;

13 (d) the amount and nature of debts and obligations owed to an incidental committee for a specified
14 candidate, ballot issue, or petition for nomination in the form prescribed by the commissioner;

15 (e) an account of proceeds that total less than \$35 per person from mass collections made at
16 fundraising events sponsored by the incidental committee for a specified candidate, ballot issue, or petition for
17 nomination; and

18 (f) the total sum of all contributions received by or designated for the incidental committee for a
19 specified candidate, ballot issue, or petition for nomination during the reporting period.

20 (3) The reports required under 13-37-225 through 13-37-227 from incidental committees must
21 disclose the following information concerning expenditures made:

22 (a) the full name, mailing address, occupation, and principal place of business, if any, of each
23 person to whom expenditures have been made during the reporting period, including the amount, date, and
24 purpose of each expenditure and the total amount of expenditures made to each person;

25 (b) the full name, mailing address, occupation, and principal place of business, if any, of each
26 person to whom an expenditure for personal services, salaries, and reimbursed expenses has been made
27 during the reporting period, including the amount, date, and purpose of that expenditure and the total amount of
28 expenditures made to each person;

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- 1 (c) the total sum of expenditures made during the reporting period;
- 2 (d) the name and address of each political committee or candidate to which the reporting
- 3 committee made any transfer of funds together with the amount and dates of all transfers;
- 4 (e) the name of any person to whom a loan was made during the reporting period, including the full
- 5 name, mailing address, occupation, and principal place of business, if any, of that person, and the full names,
- 6 mailing addresses, occupations, and principal places of business, if any, of the endorsers, if any, and the date
- 7 and amount of each loan;
- 8 (f) the amount and nature of debts and obligations owed by a political committee in the form
- 9 prescribed by the commissioner; and
- 10 (g) other information that may be required by the commissioner to fully disclose the disposition of
- 11 funds used to make expenditures.

12 (4) Reports of expenditures made to a consultant, advertising agency, polling firm, or other person

13 that performs services for or on behalf of an incidental committee must be itemized and described in sufficient

14 detail to disclose the specific services performed by the entity to which payment or reimbursement was made.

15 (5) An incidental committee shall report an expenditure within 30 days of making the expenditure

16 unless the expenditure is made during the time period described in 13-37-226(2)(d).

17 (6) An incidental committee shall request the occupation and employer of a contributor or person

18 who provided a loan to the incidental committee. If the contributor or person who provided a loan does not

19 provide the requested information, the incidental committee is only required to report what is provided.

20 ~~(5)(7)~~ An incidental committee that does not receive contributions for a specified candidate, ballot

21 issue, or petition for nomination and that does not solicit contributions for incidental committee election activity,

22 including in-kind expenditures, independent expenditures, election communications, or electioneering

23 communications, is required to report only its expenditures."

24 - END -