



Montana Legislative Services Division
Legal Services Office

TO: State Administration and Veterans' Affairs Interim Committee

FROM: K. Virginia Aldrich

DATE: December 15, 2021

RE: Legislative Administrative Rule Review Report

Pursuant to 5-5-228, MCA, the State Administration and Veterans' Affairs Interim Committee is responsible for reviewing administrative rules within its jurisdiction. Staff for the State Administration and Veterans' Affairs Interim Committee has prepared this report for informational purposes only. This report does not represent any action or opinion of the State Administration and Veterans' Affairs Interim Committee and does not preclude additional action that may be taken by the State Administration and Veterans' Affairs Interim Committee pursuant to its authority under the Montana Administrative Procedure Act (Title 2, chapter 4, MCA).

MAR NOTICE NUMBER: 44-2-253

AGENCY/BOARD: Commissioner of Political Practices

RULE CLASSIFICATION: (e.g., substantive/interpretive/emergency/temporary): Substantive

SUBJECT: Campaign Finance Laws

NOTICE DESCRIPTION: (e.g., proposal notice/adoption notice): Notice of Proposed Amendment

SUMMARY OF RULE(S):

The Commissioner of Political Practices (COPP) proposes to amend seven rules concerning campaign finance.

The COPP proposes to amend one rule concerning the designation of primary and general election funds in accordance with the changes provided in Chapter 571, L. 2021. The COPP's proposed amendment provides that a legislative candidate may use the same campaign depository account for primary and general election contributions without having to segregate the funds if the candidate maintains records concerning when the contribution is received and for which election the contribution is designated and the account balance does not drop below the amount of general election contributions received until after the day of the primary election.

The COPP proposes to strike all language in a rule related to total combined contribution limits to legislative candidates and replace it with a notice that the 2021 Legislature repealed contribution limits from political committees to legislative candidates. The COPP notes that it is maintaining the rule to reflect the repeal of the aggregate limits and that the "rule number is being maintained to ensure the structure of the campaign finance rules follow the flow of a

campaign."

The COPP proposes to update a rule setting the dollar amount limitations on total combined contributions by a political committee (other than a political party committee) or by an individual to a candidate for the 2022 election cycle. The changes reflect the dollar amount limitations provided by Chapter 571, L. 2021.

The COPP proposes to amend one rule concerning mass contributions at fundraising events. The proposed changes raise the dollar amount from \$35 to \$50 for which a record identifying the name and amount for each person must be disclosed. Likewise, the COPP proposes to amend a separate rule concerning de minimus exceptions. The proposal raises the amount of personal property, food, or services with a fair market value of less than \$50 (raised from \$35) that may, depending on the circumstances, be considered de minimus acts, contributions, or expenditures. The proposed changes reflect the changes made by Chapter 571, L. 2021.

The COPP proposes to amend one rule concerning campaign depositories. The proposed amendments repeal provisions related to petty cash funds, reflecting the repeal of 13-37-215, MCA, by Chapter 152, L. 2019.

The COPP proposes to amend one rule concerning the reporting of expenditures. The proposal repeals a provision concerning petty cash funds, reflecting the repeal of 13-37-215, MCA, by Chapter 152, L. 2019. In addition, the proposal repeals a provision requiring that the purpose of an expenditure specifically describe the purpose, quantity, and subject matter and provide enough detail to distinguish among similar purpose expenditures. Section 7 of Chapter 571, L. 2021, explicitly instructed the COPP to repeal this portion of ARM 44.11.502.

When initially sending the proposal notice to the Secretary of State for preparation for publication on December 10, 2021, the Commissioner of Political Practices inadvertently failed to notify the committee as required by Chapter 519, L. 2021. After the oversight was brought to the Commissioner's attention, the proposal was promptly renoticed with the correct notifications.

NOTES: A public hearing is not contemplated. The public comment period ends on January 20, 2022.

FULL TEXT OF NOTICE: The full text of the proposal notice and the amended proposal may be found online at <https://rules.mt.gov> after it is officially published.