

COMMISSIONER OF POLITICAL PRACTICES

An Agency Profile Prepared by the
Legislative Fiscal Division

November, 2018



INTRODUCTION

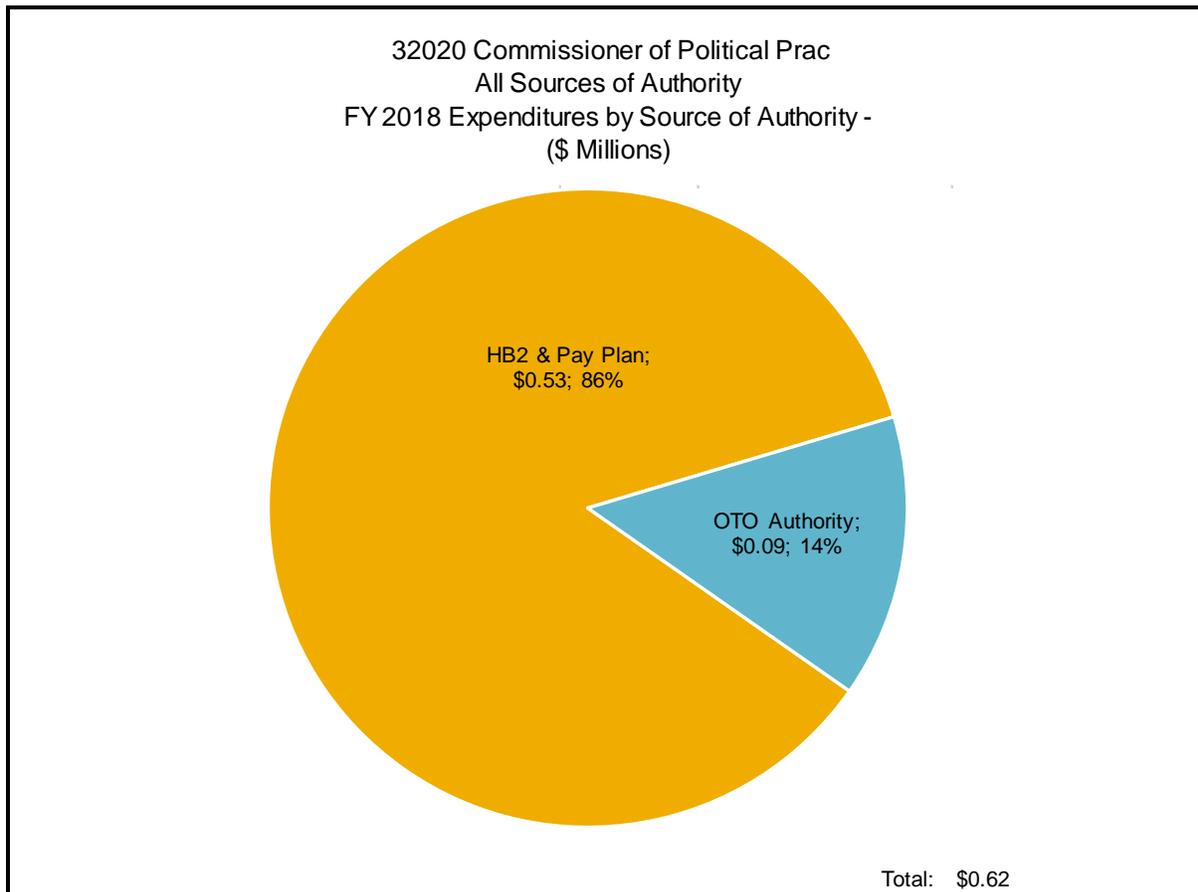
The Commissioner of Political Practices (COPP) has responsibilities that were defined by a legislative initiative in 1980 requiring disclosure of acts by lobbyists and business interests of elected officials. The Commissioner of Political Practices also has the responsibility for the ethical standards of conduct for legislators, public officers, and state employees pursuant to Title 2, Chapter 2 of the Montana Code Annotated. The primary statutory reference defining the duties and responsibilities of COPP are found in Title 13, Chapter 37, Part 1 of the Montana Code Annotated.

HOW SERVICES ARE PROVIDED

The commissioner monitors and enforces campaign practices and campaign finance disclosure, lobbying disclosure, business interest disclosure of statewide and state district candidates, elected state officials, and state department directors. The commissioner investigates complaints that arise concerning any of the abovementioned. Additionally, the commissioner enforces the Montana Code of Ethics for legislators, public officers, and state employees, acting in a quasi-judicial role in contested case hearings. The office consists of one program, the Administration Program.

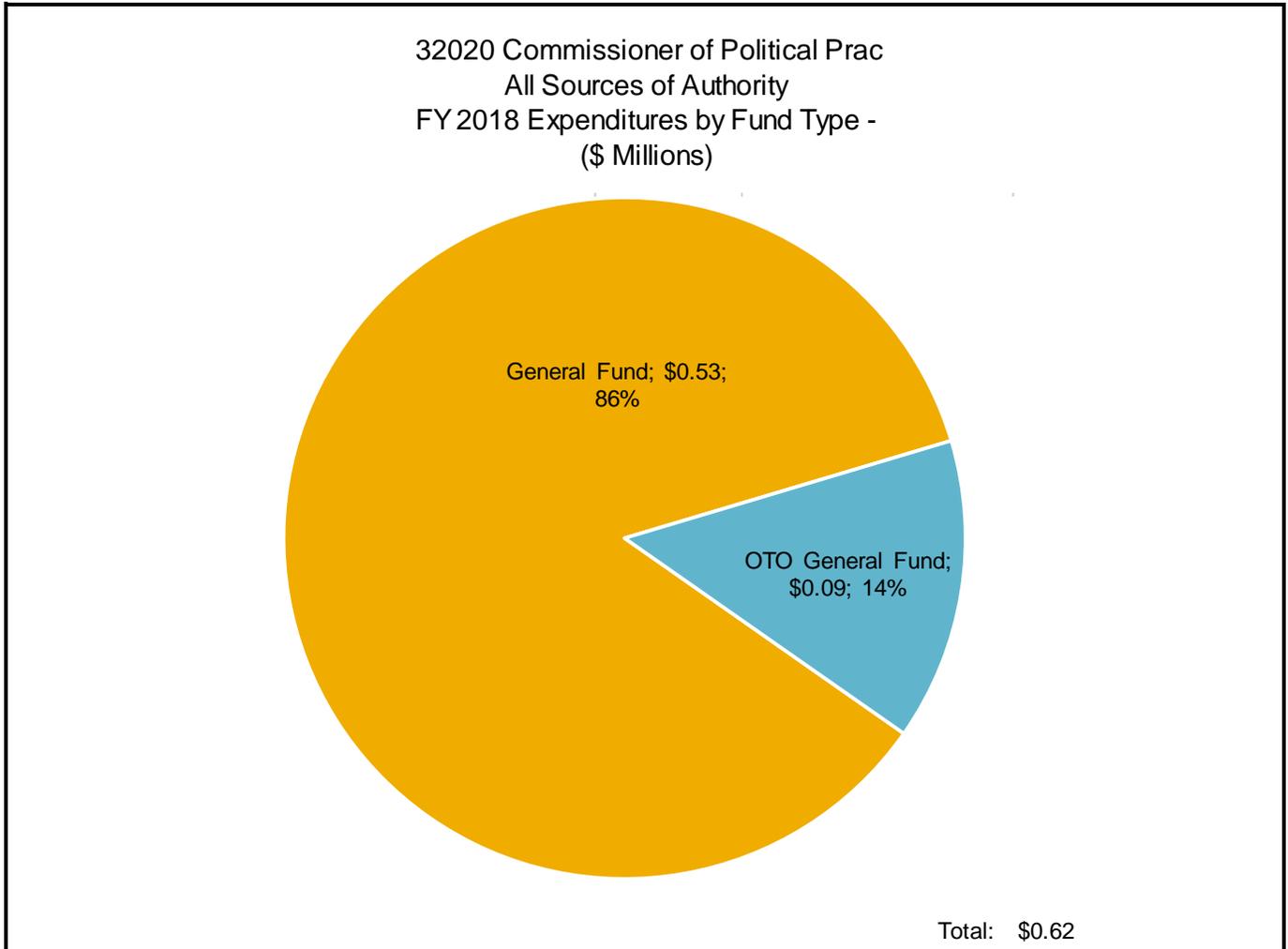
SOURCES OF SPENDING AUTHORITY

The Commissioner of Political Practices receives nearly all of its spending authority from HB 2 and the pay plan. Of the \$620,000 the office spent in FY 2018, 86% was ongoing HB 2 spending authority and the remaining 14% was from a one-time-only HB 2 appropriation for legal services. The chart below shows the amount expended in FY 2018 by source of spending authority for the agency.

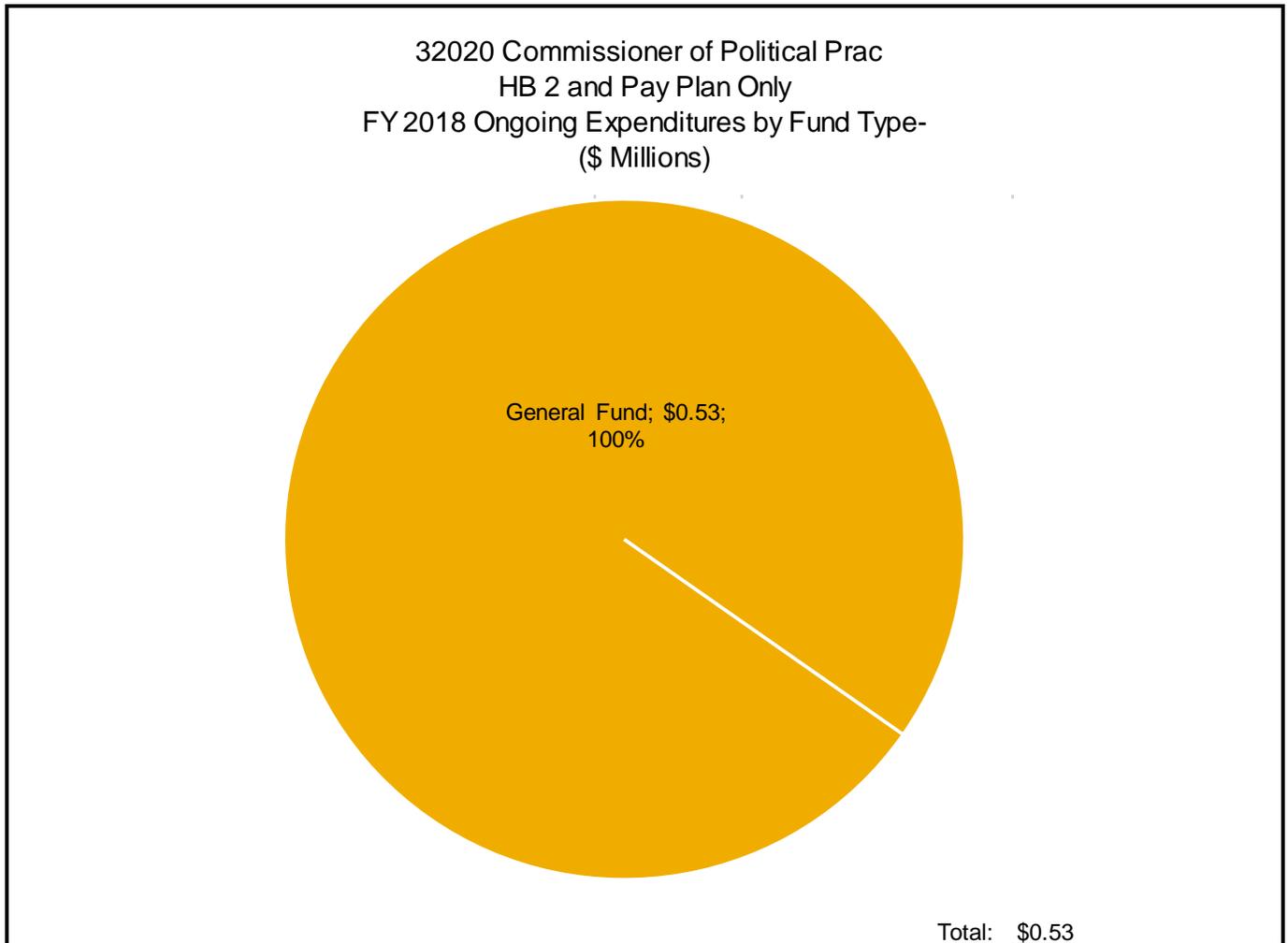


FUNDING

The Commissioner of Political Practices is funded entirely with general fund. Of the \$620,000 the office spent in FY 2018, 86% was ongoing general fund spending authority and the remaining 14% was from a one-time-only general fund appropriation for legal services. The chart below shows FY 2018 actual expenditures by fund type for all sources of authority.

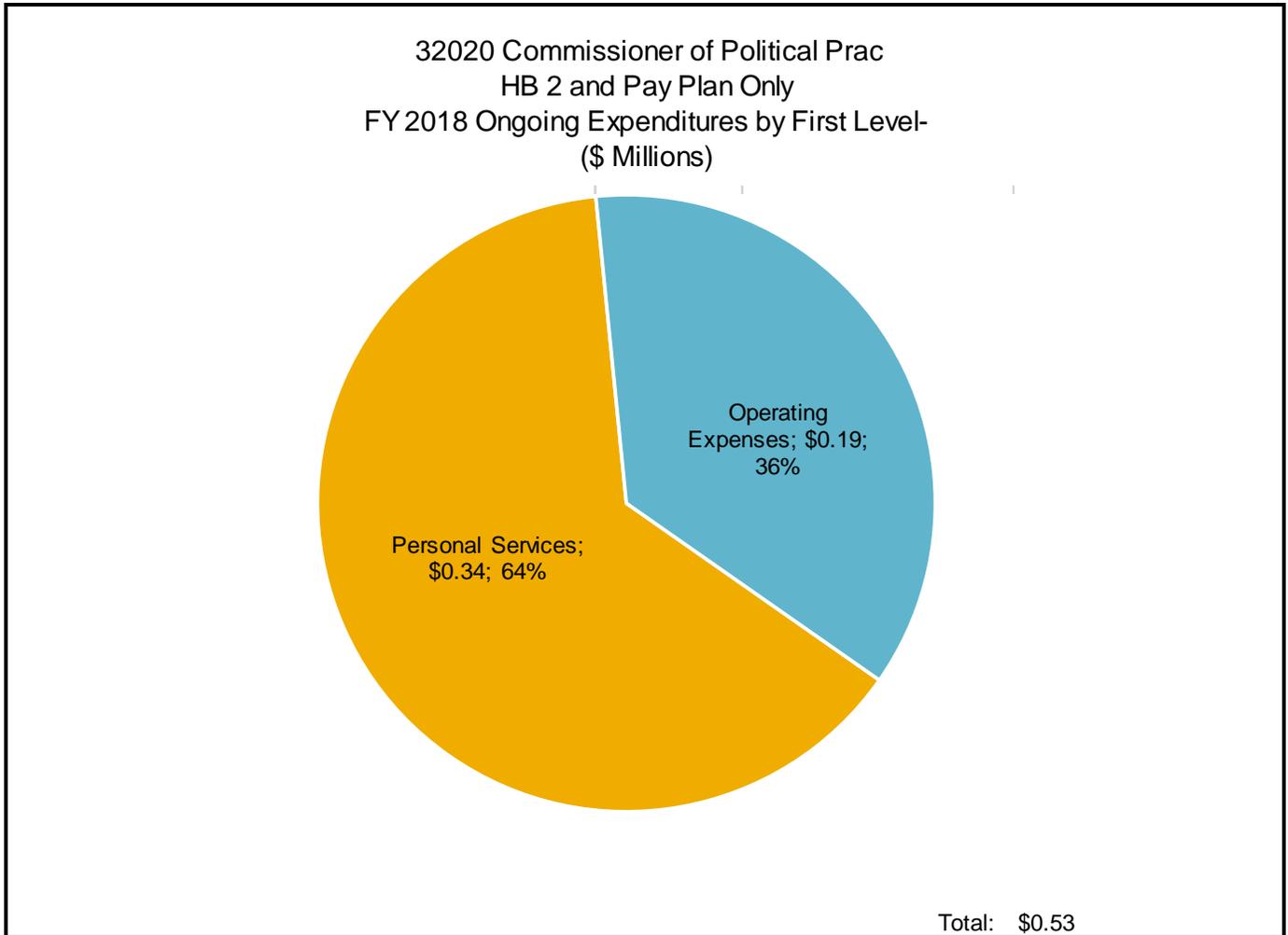


The chart below shows the ongoing HB 2 and pay plan expenditures for the Commissioner of Political Practices by fund type, which totaled \$530,000 and is entirely comprised of general fund.



EXPENDITURES

Of the approximately \$530,000 in ongoing HB 2 and pay plan authority expended in FY 2018, 64% was within personal services and the remaining 36% accounted for operating expenses. The chart below explains how HB 2 and pay plan authority is spent.



HOW THE 2019 LEGISLATURE CAN AFFECT CHANGE

In order to change expenditure levels and/or activity, the legislature might address:

- Laws governing lobbyists and candidates such as filing and reporting processes and fees charged
- The Montana Code of Ethics for public officers, public employees, and legislators

The legislature is less likely to have the ability to effect change regarding:

- The number of formal complaints and related complaint dockets
- Federal legislation or decisions by the Supreme Court or lower courts impacting the Commissioner of Political Practices

MAJOR COST DRIVERS

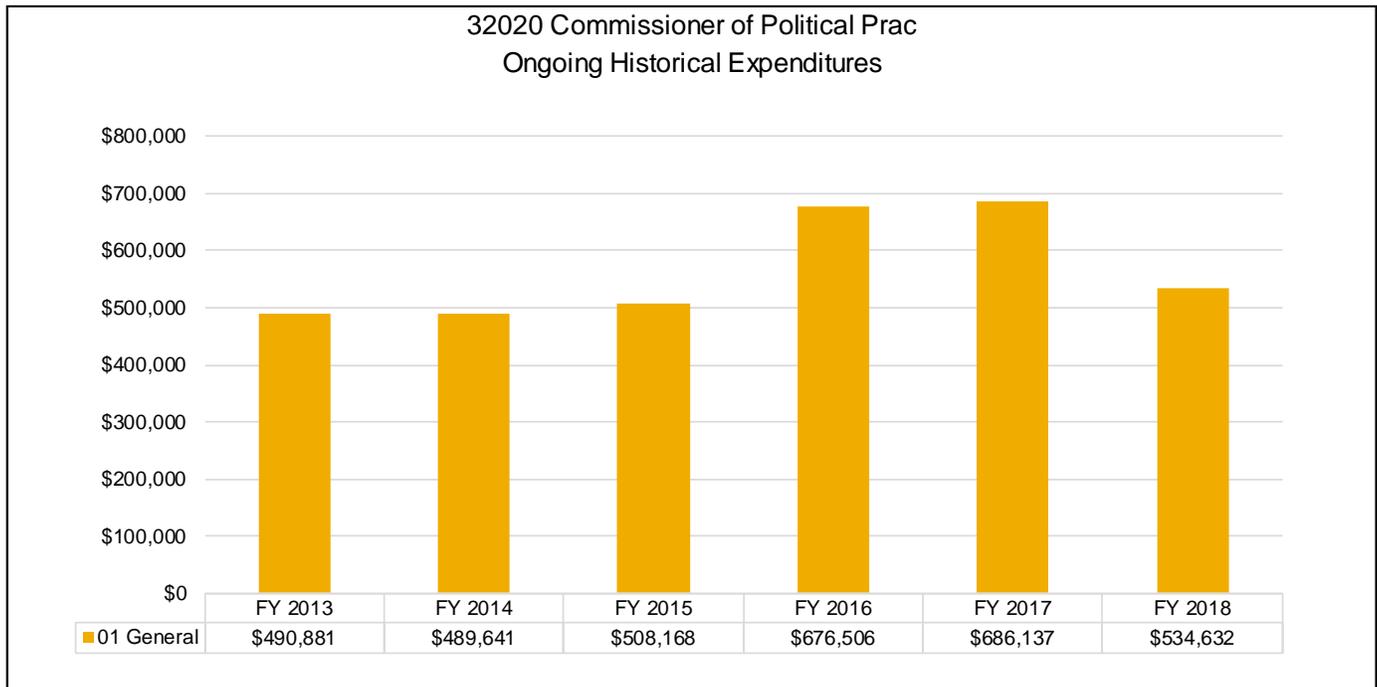
Activities for the Commissioner of Political Practices varies depending on:

- Elections
- Number of candidates filing for offices
- Level of ongoing activity related to campaign issues
- Level of ongoing activity related to ethics issues

Element	FY 2014	FY 2016	FY 2018
Number of lobbyists	432	421	401
Number of principals	442	443	421
Political practice complaints	83	41	57
Advisory opinions	16	14	7
Campaign finance form inspections	4,296	4,437	7,012

FUNDING/EXPENDITURE HISTORY

The major reason for changes is due to variations in the costs incurred as a result of the number of political practice complaints. Funding for the Commissioner of Political Practices increased in FY 2016 due to the implementation of new campaign disclosure laws. Budget cuts from the 2017 Legislative Session, the November 2017 Special Session, and the Governor's reductions reduced the FY 2018 appropriations for the Commissioner of Political Practices, which resulted in lower expenditures for FY 2018. The following table shows historical changes in the agency's HB 2 funding and expenditures.



MAJOR LEGISLATIVE CHANGES IN THE LAST TEN YEARS

Major changes in the last ten years include:

2015 Legislature

- The Legislature revised how the Commissioner of Political Practices is appointed and revised the qualifications for the office

2013 Legislature

- The Legislature increased the authority of the Commissioner of Political Practices to enforce laws pertaining to anonymous election materials
- The Legislature revised campaign finance and disclosure laws

2009 Legislature

- The Legislature provided the Commissioner of Political Practices with a supplemental appropriation for additional legal expenses and for the settlement of a lawsuit

For more information, please visit the agency website, here:

<http://www.politicalpractices.mt.gov/default.mcpx>.