

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, DEBT, AND CONTRIBUTORS' OCCUPATIONS AND
9 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:

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Drafter: Rebecca Power,

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1 **"13-37-226. Time for filing reports.** (1) Except as provided in 13-37-206 and 13-37-225(3), a
2 candidate shall file reports required by 13-37-225(1)(a) containing the information required by 13-37-229, 13-
3 37-231, and 13-37-232 as follows:

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

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

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

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

19 (e) semiannually on the 10th day of March and September, starting in the year following an
20 election in which the candidate participates until the candidate files a closing report as specified in 13-37-
21 228(3); and

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

23 (2) Except as provided in 13-37-206, 13-37-225(3), and 13-37-227, a political committee or a joint
24 fundraising committee shall file reports required by 13-37-225(1)(a) containing the information required by 13-
25 37-229, 13-37-231, and 13-37-232 as follows:

26 (a) quarterly, due on the 5th day following a calendar quarter, beginning with the calendar quarter
27 in which the political committee or the joint fundraising committee receives a contribution or makes an

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1 expenditure after an individual becomes a candidate or an issue becomes a ballot issue, as defined in 13-1-
2 101(6)(b), and ending in the final quarter of the year preceding the year in which the candidate or the ballot
3 issue appears on the ballot;

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

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

10 (d) within 2 business days of making an expenditure of \$500 or more that is made between the
11 25th day of the month before an election in which the political committee or the joint fundraising committee
12 participates and the day before the election;

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

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

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

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

22 (b) 20 days after the special election.

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

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

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1 November of the year of the election in which the committee participates.

2 (5) Except as provided by 13-37-206, candidates for a local office and political committees that
3 receive contributions or make expenditures referencing a particular local issue or a local candidate shall file the
4 reports specified in subsections (1) through (4) only if the total amount of contributions received or the total
5 amount of funds expended for all elections in a campaign exceeds \$500.

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

8 ~~(6)(7)~~ A report required by this section must cover contributions received and expenditures made
9 pursuant to the time periods specified in 13-37-228.

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

11 ~~(7)(9)~~ A political committee may file a closing report prior to the date in 13-37-228(3) and after the
12 complete termination of its contribution and expenditure activity during an election cycle.

13 ~~(8)(10)~~ For the purposes of this section:

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

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

18
19 **Section 3.** Section 13-37-229, MCA, is amended to read:

20 **"13-37-229. Disclosure requirements for candidates, ballot issue committees, political party**
21 **committees, and independent committees -- exceptions.** (1) The reports required under 13-37-225 through
22 13-37-227 from candidates, ballot issue committees, political party committees, independent committees, and
23 joint fundraising committees must disclose the following information concerning contributions received:

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

25 (b) except as provided in subsection (5), the full name, mailing address, occupation, and employer,
26 if any, of each person who has made aggregate contributions, other than loans, of \$50 or more to a candidate,
27 political committee, or joint fundraising committee, including the purchase of tickets and other items for events,

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1 such as dinners, luncheons, rallies, and similar fundraising events. If a contribution is made by a joint
2 fundraising committee to a participant in the joint fundraising committee, the participant shall disclose the
3 information in this subsection (1)(b) for each contributor of the funds allocated to the participant by the joint
4 fundraising committee.

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

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

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

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

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

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

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

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

24 (2) (a) Except as provided in subsection (2)(c), the reports required under 13-37-225 through 13-
25 37-227 from candidates, ballot issue committees, political party committees, independent committees, and joint
26 fundraising committees must disclose the following information concerning expenditures made:

27 (i) the full name, mailing address, occupation, and principal place of business, if any, of each

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1 person to whom expenditures have been made by the committee or candidate during the reporting period,
2 including the amount, date, and purpose of each expenditure and the total amount of expenditures made to
3 each person;

4 (ii) the full name, mailing address, occupation, and principal place of business, if any, of each
5 person to whom an expenditure for personal services, salaries, and reimbursed expenses has been made,
6 including the amount, date, and purpose of that expenditure and the total amount of expenditures made to each
7 person;

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

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

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

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

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

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

27 (c) A candidate is required to report the information specified in this subsection (2) only if the

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1 transactions involved were undertaken for the purpose of supporting or opposing a candidate.

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

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

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

6 (ii) payroll expenditures;

7 (iii) mileage; and

8 (iv) payment on a previously disclosed debt.

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

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

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

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

18 (5) A candidate, political committee, or joint fundraising committee shall request the occupation
19 and employer of a contributor or person who provided a loan to the candidate, political committee, or joint
20 fundraising committee. If the contributor or person who provided a loan does not provide the requested
21 information, the candidate, political committee, or joint fundraising committee is only required to report what is
22 provided.

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

25

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

27 **"13-37-232. Disclosure requirements for incidental committees.** (1) A combination of two or more

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1 individuals or a person other than an individual that would otherwise qualify as an incidental committee but that
2 receives less than \$250 in contributions or that makes less than \$250 in expenditures does not form a political
3 committee and is not required to file as an incidental committee.

4 (2) The reports required under 13-37-225 through 13-37-227 from incidental committees must
5 disclose the following information concerning contributions to the committee that are designated by the
6 contributor for a specified candidate, ballot issue, or petition for nomination or that are made by the contributor
7 in response to an appeal by the incidental committee for contributions to support incidental committee election
8 activity, including in-kind expenditures, independent expenditures, election communications, or electioneering
9 communications:

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

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

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

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

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

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

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

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

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

8 (c) the total sum of expenditures made during the reporting period;

9 (d) the name and address of each political committee or candidate to which the reporting
10 committee made any transfer of funds together with the amount and dates of all transfers;

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

15 (f) the amount and nature of debts and obligations owed by a political committee in the form
16 prescribed by the commissioner; and

17 (g) other information that may be required by the commissioner to fully disclose the disposition of
18 funds used to make expenditures.

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

22 (5) An incidental committee shall report an expenditure within 30 days of making the expenditure
23 unless the expenditure is made during the time period described in 13-37-226(2)(d).

24 (6) An incidental committee shall request the occupation and employer of a contributor or person
25 who provided a loan to the incidental committee. If the contributor or person who provided a loan does not
26 provide the requested information, the incidental committee is only required to report what is provided.

27 ~~(5)~~(7) An incidental committee that does not receive contributions for a specified candidate, ballot

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1 issue, or petition for nomination and that does not solicit contributions for incidental committee election activity,
2 including in-kind expenditures, independent expenditures, election communications, or electioneering
3 communications, is required to report only its expenditures."

4 - END -

AMENDED