_____ BILL NO. _____

INTRODUCED BY _____

BY REQUEST OF THE LEGISLATIVE COUNCIL

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LEGISLATOR EXPENSE REIMBURSEMENT LAWS; REVISING THE METHOD BY WHICH LEGISLATORS RECEIVE EXPENSE REIMBURSEMENTS; SPECIFYING ACTIVITIES FOR WHICH AN EXPENSE REIMBURSEMENT IS AUTHORIZED OR PROHIBITED; PROVIDING FOR THE APPOINTMENT OF LEGISLATORS BY LEGISLATIVE COUNCIL TO NONPARTISAN AND BIPARTISAN ORGANIZATIONS AND THE PAYMENT OF ASSOCIATED EXPENSES; AMENDING SECTIONS 2-2-111, 5-2-301, 5-2-302, 5-11-707, AND 5-11-708, MCA; REPEALING SECTIONS 5-2-204 AND 5-11-305, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

NEW SECTION. **Section 1. Legislator biennium allowance -- expense reimbursement -- definitions.** (1) Each legislator is entitled to an equal biennium allowance in an amount authorized by the legislative council.

(2) A biennium allowance may only be used to reimburse legislators who:

(a) attend:

(i) meetings, conferences, or seminars sponsored by interstate, international, or intergovernmental organizations that provide nonpartisan or bipartisan training and educational opportunities for legislators;

(ii) state and local government policy and budget meetings;

(iii) meetings with constituents;

(b) purchase:

(i) a cellular phone, laptop computer, printer, and software, including cellular calling plans and an internet subscription;

(ii) a United States post office box; and

(c) provide informational or educational materials to constituents who reside in the legislator's district, including costs associated with preparing, printing, and mailing these materials.

(3) For purposes of subsection (2)(a), a legislator may only receive a reimbursement for:

(a) registration; and

(b) expenses as authorized in 2-18-501, 2-18-502, and 2-18-503.

(4) For purposes of subsection (2)(b), a legislator shall certify to the legislative services division that any item or service is used primarily for legislative work.

(5) (a) For purposes of subsection (2)(c), a legislator shall certify to the legislative services division that informational or educational materials provided to constituents do not encourage the support of or opposition to a candidate or ballot issue.

(b) Informational or educational materials are not considered an election communication or electioneering communication if the materials do not encourage the support of or opposition to a candidate or ballot issue.

(6) A legislator may not use the biennium allowance for:

(a) expenses that qualify for reimbursement from other sources, including expenses authorized in 5-2-301, [section 2], and 5-11-707;

(b) expenses paid from a continuing service account provided for in 13-37-402;

(c) expenses, including travel, lodging, mileage, and meals, incurred to attend a fundraiser, political committee, or any other event, meeting, or gathering at which a contribution will be solicited or received by any person;

(d) entertainment; or

(e) alcohol.

(7) A legislator may only receive the biennium allowance as a reimbursement.

(8) To receive a reimbursement authorized in subsection (2), a legislator shall submit a request for reimbursement to the legislative services division that includes itemized receipts.

(9) A legislator may not receive reimbursement:

(a) for any item prohibited in subsection (6);

(b) that exceeds the amount authorized for each legislator by the legislative council; or

(c) after a legislator resigns or is no longer serving in office.

(10) An unexpended balance in any biennium account must remain with the legislative services division.

(11) A person appointed to fill an unexpired term of office must receive a prorated biennium allowance that is calculated from the time the person takes office until the end of the current biennium.

(12) In addition to any other remedies under the law, it is within the jurisdiction of an ethics committee provided for in 2-2-135 to adjudicate violations of this section and recommend penalties to the appropriate chamber.

(13) As used in this section, "contribution", "election communication", "electioneering communication", and "political committee" have the same meanings as provided in 13-1-101.

NEW SECTION. **Section 2. Legislative council appointment -- delegates to nonpartisan and bipartisan organizations -- expense reimbursement.** (1) The legislative council may appoint up to 16 legislators to represent the legislature during each biennium at meetings, conferences, or seminars sponsored by interstate, international, or intergovernmental organizations that provide nonpartisan or bipartisan training and educational opportunities for legislators.

(2) If the legislative council appoints legislators as authorized in subsection (1), it must appoint an equal number of legislators from the:

(a) house and senate;

(b) majority party; and

(c) minority party.

(3) The legislative council shall consider nominees recommended by the president of the senate, speaker of the house, minority leader of the senate, and minority leader of the house.

(4) A legislator appointed under subsection (1) may:

(a) attend up to four meetings, conferences, or seminars during a biennium; and

(b) receive reimbursement for:

(i) registration;

(ii) salary, as authorized in 5-2-301(1); and

(iii) expenses as authorized in 2-18-501, 2-18-502, and 2-18-503.

(5) To receive a reimbursement authorized in subsection (4)(b), a legislator shall submit a request for reimbursement to the legislative services division that includes itemized receipts.

(6) A legislator may not be reimbursed:

(a) to attend meetings that exceed the total number of meetings authorized in subsection (4);

(b) for entertainment or alcohol; and

(c) after a legislator resigns or is no longer serving in office.

(7) In addition to any other remedies under the law, it is within the jurisdiction of an ethics committee provided for in 2-2-135 to adjudicate violations of this section and recommend penalties to the appropriate chamber.

Section 3. Section 2-2-111, MCA, is amended to read:

"**2-2-111. Rules of conduct for legislators.** Proof of commission of any act enumerated in this section is proof that the legislator committing the act has breached the legislator's public duty. A legislator may not:

(1) accept a fee, contingent fee, or any other compensation, except the official compensation provided by statute, for promoting or opposing the passage of legislation;

(2) seek other employment for the legislator or solicit a contract for the legislator's services by the use of the office;

(3) accept a fee or other compensation, except as provided for in 5-2-302, from a Montana state agency or a political subdivision of the state of Montana for speaking to the agency or political subdivision; or

(4) use the funds provided for in ~~5-2-204~~ [section 1] for an activity that is prohibited."

Section 4. Section 5-2-301, MCA, is amended to read:

"**5-2-301. Compensation and expenses for members while in session.** (1) For the legislators serving in the legislative session beginning in January 2027, the salary of each legislator must be determined by multiplying 80% times the average hourly wage for the state of Montana, all industry types, posted by the United States bureau of labor statistics from the most recently published quarter of employment and wages

data. For the legislators serving in the legislative session beginning in January 2029 and any subsequent biennium, the salary of each legislator must be determined to be equal to the average hourly wage for the state of Montana, all industry types, posted by the United States bureau of labor statistics from the most recently published quarter of employment and wages data. The average hourly rate must be calculated by dividing the average weekly wage by 40 hours. The president of the senate and the speaker of the house must receive an additional $5 a day in salary for those days during which the legislature is in session.

(2) Legislators may serve for no salary.

(3) Legislators are entitled to a daily allowance, 7 days a week, during a legislative session, as reimbursement for lodging, breakfast, lunch, dinner, and incidental expenses incurred in attending a session. The amount of the daily allowance is equal to the amount an employee of the executive branch of the federal government is generally entitled to receive as per diem for lodging, breakfast, lunch, dinner, and incidental expenses while away from home in the city of Helena but serving in the United States. Expense payments must stop when the legislature recesses for more than 3 days and resume when the legislature reconvenes.

(4) Legislators are entitled to a mileage allowance as provided in 2-18-503 for each mile of travel to the place of the holding of the session and to return to their place of residence at the conclusion of the session.

(5) In addition to the mileage allowance provided for in subsection (4), legislators, on submittal of an appropriate claim for mileage reimbursement to the legislative services division, are entitled to:

(a) ~~three~~ four additional round trips to their place of residence during each regular session; and

(b) additional round trips as authorized by the legislature during special session.

(6) Legislators are not entitled to any additional mileage allowance under subsection (4) for a special session if it is convened within 7 days of a regular session.

(7) The department of administration shall work with the legislative services division to offer options to legislators to receive their session salary provided for in subsection (1) over the 2-year legislative term or a portion of the term. The options must be offered to all legislators in order to assist legislators to manage their income over the term. The per diem allowance and mileage as provided in this section, salary during a special session as provided in 5-3-101, and the salary during the interim as provided for in 5-2-302 may not be affected."

Section 5. Section 5-2-302, MCA, is amended to read:

"**5-2-302. Compensation and expenses when legislature not in session.** When the legislature is not in session, a member of the legislature, while engaged in authorized interim, interim budget, or administrative committee legislative business or as otherwise provided by law, and with prior authorization of the appropriate funding authority, is entitled to compensation and expenses as set forth in this section.

(1) A legislator participating remotely is entitled to a salary equal to one full day's pay at the rate described in 5-2-301(1) for each 24-hour period.

(2) A legislator attending a meeting in person is entitled to the following compensation and expenses based on the number of round-trip miles from the legislator's residence to the meeting:

(a) for 100 miles or less:

(i) a salary equal to one full day's pay at the rate described in 5-2-301(1) for each 24-hour period;

(ii) a mileage allowance as provided in 2-18-503; and

(iii) a meal allowance for one midday meal as provided in 2-18-501;

(b) for more than 100 miles and less than 400 miles:

(i) a salary equal to two full days' pay at the rate described in 5-2-301(1);

(ii) a mileage allowance as provided in 2-18-503;

(iii) a meal allowance for two morning meals, two midday meals, and two evening meals as provided in 2-18-501; and

(iv) two nights' lodging reimbursed at the prescribed maximum standard federal rate for each day for the location; or

(c) for 400 miles or more:

(i) a salary equal to three full days' pay at the rate described in 5-2-301(1);

(ii) a mileage allowance as provided in 2-18-503;

(iii) a meal allowance for three morning meals, three midday meals, and three evening meals as provided in 2-18-501; and

(iv) two nights' lodging reimbursed at the prescribed maximum standard federal rate for each day for the location.

(3) For each additional consecutive day of legislative meetings or authorized legislative business, a legislator attending in person is entitled to the following additional compensation and expenses based on the number of round-trip miles from the legislator's residence to the meeting location:

(a) for 100 miles or less:

(i) a salary equal to one full day's pay at the rate described in 5-2-301(1);

(ii) a mileage allowance as provided in 2-18-503; and

(iii) a meal allowance for one midday meal as provided in 2-18-501; or

(b) for more than 100 miles:

(i) a salary equal to one full day's pay at the rate described in 5-2-301(1);

(ii) a meal allowance for one morning meal, one midday meal, and one evening meal as provided in 2-18-501; and

(iii) an additional night's lodging reimbursed at the prescribed maximum standard federal rate for each day for the location.

(4) If time spent for business other than authorized legislative interim, interim budget, or administrative committee business or business related to ~~5-11-305~~ [section 2] results in lengthening a legislator's stay away from home into an additional 24-hour period, the legislator may not be compensated for the additional day."

Section 6. Section 5-11-707, MCA, is amended to read:

"**5-11-707. Appointment to Pacific Northwest economic region -- vacancy.** (1) Pursuant to 5-11-706, Article III, the governor or a designee and four legislators must be appointed to the delegate council of the Pacific Northwest economic region. The legislative members are appointed ~~as follows:~~

~~(a) one member to be appointed by the president of the senate;~~

~~(b) one member to be appointed by the speaker of the house of representatives;~~

~~(c) one member to be appointed by the minority leader of the senate; and~~

~~(d) one member to be appointed by the minority leader of the house of representatives~~ as provided in [section 2].

(2) If the Pacific Northwest economic region establishes policy committees under 5-11-706, Article

V, appointments of legislators to the policy committees are to be made by the legislative council as provided in ~~5-11-305~~ [section 2].

(3) In the event that a vacancy occurs, appointment to fill the vacancy must be made in the same manner as the original appointment."

Section 7. Section 5-11-708, MCA, is amended to read:

"**5-11-708. Compensation of certain appointees to Pacific Northwest economic region.** Legislative members appointed to the Pacific Northwest economic region under 5-11-707 are entitled to receive a salary ~~as provided in 5-2-301 (1)~~ and to have travel expenses reimbursed as provided in ~~2-18-501 through 2-18-503~~ [section 2(4)(b)]."

NEW SECTION. **Section 8. Repealer.** The following sections of the Montana Code Annotated are repealed:

5-2-204. Legislative constituent services allowance, stipend, and reimbursement.

5-11-305. Legislative council appointments to interstate, international, and intergovernmental entities.

NEW SECTION. **Section 9. Codification instruction.** (1) [Section 1] is intended to be codified as an integral part of Title 5, chapter 2, part 2, and the provisions of Title 5, chapter 2, part 2, apply to [section 1].

(2) [Section 2] is intended to be codified as an integral part of Title 5, chapter 11, part 3, and the provisions of Title 5, chapter 11, part 3, apply to [section 2].

NEW SECTION. **Section 10. Effective date.** [This act] is effective on passage and approval.

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