

HOUSE BILL NO. 917

INTRODUCED BY E. TILLEMAN, K. WALSH

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING CAMPAIGN FINANCE LAWS; REVISING THE DEFINITION OF "POLITICAL COMMITTEE"; CLARIFYING WHO MAY SIGN AN INCIDENTAL COMMITTEE REPORT; PROVIDING AN APPROPRIATION; AND AMENDING SECTIONS 13-1-101 AND 13-37-232, MCA."

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

Section 1. Section 13-1-101, MCA, is amended to read:

"13-1-101. Definitions. As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "Active elector" means an elector whose name has not been placed on the inactive list due to failure to respond to confirmation notices pursuant to 13-2-220 or 13-19-313.

(2) "Active list" means a list of active electors maintained pursuant to 13-2-220.

(3) "Anything of value" means any goods that have a certain utility to the recipient that is real and that is ordinarily not given away free but is purchased.

(4) "Application for voter registration" means a voter registration form prescribed by the secretary of state that is completed and signed by an elector, is submitted to the election administrator, and contains voter registration information subject to verification as provided by law.

(5) "Ballot" means a paper ballot counted manually or a paper ballot counted by a machine, such as an optical scan system or other technology that automatically tabulates votes cast by processing the paper ballots.

(6) (a) "Ballot issue" or "issue" means a proposal submitted to the people at an election for their approval or rejection, including but not limited to an initiative, referendum, proposed constitutional amendment, recall question, school levy question, bond issue question, or ballot question.

(b) For the purposes of chapters 35 and 37, an issue becomes a "ballot issue" upon certification by

1 the proper official that the legal procedure necessary for its qualification and placement on the ballot has been
2 completed, except that a statewide issue becomes a "ballot issue" upon preparation and transmission by the
3 secretary of state of the form of the petition or referral to the person who submitted the proposed issue.

4 (7) "Ballot issue committee" means a political committee specifically organized to support or
5 oppose a ballot issue.

6 (8) "Candidate" means:

7 (a) an individual who has filed a declaration or petition for nomination, acceptance of nomination,
8 or appointment as a candidate for public office as required by law;

9 (b) for the purposes of chapter 35, 36, or 37, an individual who has solicited or received and
10 retained contributions, made expenditures, or given consent to an individual, organization, political party, or
11 committee to solicit or receive and retain contributions or make expenditures on the individual's behalf to secure
12 nomination or election to any office at any time, whether or not the office for which the individual will seek
13 nomination or election is known when the:

14 (i) solicitation is made;

15 (ii) contribution is received and retained; or

16 (iii) expenditure is made; or

17 (c) an officeholder who is the subject of a recall election.

18 (9) (a) "Contribution" means:

19 (i) the receipt by a candidate or a political committee of an advance, gift, loan, conveyance,
20 deposit, payment, or distribution of money or anything of value to support or oppose a candidate or a ballot
21 issue;

22 (ii) an expenditure, including an in-kind expenditure, that is made in coordination with a candidate
23 or ballot issue committee and is reportable by the candidate or ballot issue committee as a contribution;

24 (iii) the receipt by a political committee of funds transferred from another political committee; or

25 (iv) the payment by a person other than a candidate or political committee of compensation for the
26 personal services of another person that are rendered to a candidate or political committee.

27 (b) The term does not mean:

28 (i) services provided without compensation by individuals volunteering a portion or all of their time

1 on behalf of a candidate or political committee;

2 (ii) meals and lodging provided by individuals in their private residences for a candidate or other
3 individual;

4 (iii) the use of a person's real property for a fundraising reception or other political event; or

5 (iv) the cost of a communication not for distribution to the general public by a religious organization
6 exempt from federal income tax when compliance with Title 13 would burden the organization's sincerely held
7 religious beliefs or practices.

8 (c) This definition does not apply to Title 13, chapter 37, part 6.

9 (10) "Coordinated", including any variations of the term, means made in cooperation with, in
10 consultation with, at the request of, or with the express prior consent of a candidate or political committee or an
11 agent of a candidate or political committee.

12 (11) "De minimis act" means an action, contribution, or expenditure that is so small that it does not
13 trigger registration, reporting, disclaimer, or disclosure obligations under Title 13, chapter 35 or 37, or warrant
14 enforcement as a campaign practices violation under Title 13, chapter 37.

15 (12) "Disability" means a temporary or permanent mental or physical impairment such as:

16 (a) impaired vision;

17 (b) impaired hearing;

18 (c) impaired mobility. Individuals having impaired mobility include those who require use of a
19 wheelchair and those who are ambulatory but are physically impaired because of age, disability, or disease.

20 (d) impaired mental or physical functioning that makes it difficult for the person to participate in the
21 process of voting.

22 (13) "Election" means a general, special, or primary election held pursuant to the requirements of
23 state law, regardless of the time or purpose.

24 (14) (a) "Election administrator" means, except as provided in subsection (14)(b), the county clerk
25 and recorder or the individual designated by a county governing body to be responsible for all election
26 administration duties, except that with regard to school elections not administered by the county, the term
27 means the school district clerk.

28 (b) As used in chapter 2 regarding voter registration, the term means the county clerk and recorder

1 or the individual designated by a county governing body to be responsible for all election administration duties
2 even if the school election is administered by the school district clerk.

3 (15) (a) "Election communication" means the following forms of communication to support or
4 oppose a candidate or ballot issue:

5 (i) a paid advertisement broadcast over radio, television, cable, or satellite;

6 (ii) paid placement of content on the internet or other electronic communication network;

7 (iii) a paid advertisement published in a newspaper or periodical or on a billboard;

8 (iv) a mailing; or

9 (v) printed materials.

10 (b) The term does not mean:

11 (i) an activity or communication for the purpose of encouraging individuals to register to vote or to
12 vote, if that activity or communication does not mention or depict a clearly identified candidate or ballot issue;

13 (ii) a communication that does not support or oppose a candidate or ballot issue;

14 (iii) a bona fide news story, commentary, blog, or editorial distributed through the facilities of any
15 broadcasting station, newspaper, magazine, internet website, or other periodical publication of general
16 circulation;

17 (iv) a communication by any membership organization or corporation to its members, stockholders,
18 or employees;

19 (v) a communication not for distribution to the general public by a religious organization exempt
20 from federal income tax when compliance with Title 13 would burden the organization's sincerely held religious
21 beliefs or practices; or

22 (vi) a communication that the commissioner determines by rule is not an election communication.

23 (16) "Election judge" means a person who is appointed pursuant to Title 13, chapter 4, part 1, to
24 perform duties as specified by law.

25 (17) "Election official" means an election administrator, election deputy, or election judge.

26 (18) "Election worker" means an individual designated by an election official to perform election
27 support duties.

28 (19) (a) "Electioneering communication" means a paid communication that is publicly distributed by

1 radio, television, cable, satellite, internet website, newspaper, periodical, billboard, mail, or any other
2 distribution of printed materials, that is made within 60 days of the initiation of voting in an election, that does
3 not support or oppose a candidate or ballot issue, that can be received by more than 100 recipients in the
4 district voting on the candidate or ballot issue, and that:

5 (i) refers to one or more clearly identified candidates in that election;

6 (ii) depicts the name, image, likeness, or voice of one or more clearly identified candidates in that
7 election; or

8 (iii) refers to a political party, ballot issue, or other question submitted to the voters in that election.

9 (b) The term does not mean:

10 (i) a bona fide news story, commentary, blog, or editorial distributed through the facilities of any
11 broadcasting station, newspaper, magazine, internet website, or other periodical publication of general
12 circulation unless the facilities are owned or controlled by a candidate or political committee;

13 (ii) a communication by any membership organization or corporation to its members, stockholders,
14 or employees;

15 (iii) a commercial communication that depicts a candidate's name, image, likeness, or voice only in
16 the candidate's capacity as owner, operator, or employee of a business that existed prior to the candidacy;

17 (iv) a communication that constitutes a candidate debate or forum or that solely promotes a
18 candidate debate or forum and is made by or on behalf of the person sponsoring the debate or forum;

19 (v) a communication not for distribution to the general public by a religious organization exempt
20 from federal income tax when compliance with Title 13 would burden the organization's sincerely held religious
21 beliefs or practices; or

22 (vi) a communication that the commissioner determines by rule is not an electioneering
23 communication.

24 (20) "Elector" means an individual qualified to vote under state law.

25 (21) (a) "Expenditure" means a purchase, payment, distribution, loan, advance, promise, pledge, or
26 gift of money or anything of value:

27 (i) made by a candidate or political committee to support or oppose a candidate or a ballot issue;

28 (ii) made by a candidate while the candidate is engaging in campaign activity to pay child-care

1 expenses as provided in 13-37-220; or

2 (iii) used or intended for use in making independent expenditures or in producing electioneering
3 communications.

4 (b) The term does not mean:

5 (i) services, food, or lodging provided in a manner that they are not contributions under subsection
6 (9);

7 (ii) except as provided in subsection (21)(a)(ii), payments by a candidate for personal travel
8 expenses, food, clothing, lodging, or personal necessities for the candidate and the candidate's family;

9 (iii) the cost of any bona fide news story, commentary, blog, or editorial distributed through the
10 facilities of any broadcasting station, newspaper, magazine, or other periodical publication of general
11 circulation;

12 (iv) the cost of any communication by any membership organization or corporation to its members
13 or stockholders or employees;

14 (v) the use of a person's real property for a fundraising reception or other political event; or

15 (vi) the cost of a communication not for distribution to the general public by a religious organization
16 exempt from federal income tax when compliance with Title 13 would burden the organization's sincerely held
17 religious beliefs or practices.

18 (c) This definition does not apply to Title 13, chapter 37, part 6.

19 (22) "Federal election" means an election in even-numbered years in which an elector may vote for
20 individuals for the office of president of the United States or for the United States congress.

21 (23) "General election" means an election that is held for offices that first appear on a primary
22 election ballot, unless the primary is canceled as authorized by law, and that is held on a date specified in 13-1-
23 104.

24 (24) "Inactive elector" means an individual who failed to respond to confirmation notices and whose
25 name was placed on the inactive list pursuant to 13-2-220 or 13-19-313.

26 (25) "Inactive list" means a list of inactive electors maintained pursuant to 13-2-220 or 13-19-313.

27 (26) (a) "Incidental committee" means a political committee that is not specifically organized or
28 operating for the primary purpose of supporting or opposing candidates or ballot issues but that may

1 incidentally become a political committee by receiving a contribution or making an expenditure.

2 (b) For the purpose of this subsection (26), the primary purpose is determined by the
3 commissioner by rule and includes criteria such as the allocation of budget, staff, or members' activity or the
4 statement of purpose or goal of the person or individuals that form the committee.

5 (27) "Independent committee" means a political committee organized for the primary purpose of
6 receiving contributions and making expenditures that is not controlled either directly or indirectly by a candidate
7 and that does not coordinate with a candidate in conjunction with the making of expenditures except pursuant
8 to the limits set forth in 13-37-216(1).

9 (28) "Independent expenditure" means an expenditure for an election communication to support or
10 oppose a candidate or ballot issue made at any time that is not coordinated with a candidate or ballot issue
11 committee.

12 (29) "Individual" means a human being.

13 (30) "Legally registered elector" means an individual whose application for voter registration was
14 accepted, processed, and verified as provided by law.

15 (31) "Mail ballot election" means any election that is conducted under Title 13, chapter 19, by
16 mailing ballots to all active electors.

17 (32) "Person" means an individual, corporation, association, firm, partnership, cooperative,
18 committee, including a political committee, club, union, or other organization or group of individuals or a
19 candidate as defined in subsection (8).

20 (33) "Place of deposit" means a location designated by the election administrator pursuant to 13-19-
21 307 for a mail ballot election conducted under Title 13, chapter 19.

22 (34) (a) "Political committee" means a combination of two or more individuals or a person other than
23 an individual who receives a contribution or makes an expenditure:

24 (i) to support or oppose a candidate or a committee organized to support or oppose a candidate
25 or a petition for nomination;

26 (ii) to support or oppose a ballot issue or a committee organized to support or oppose a ballot
27 issue; or

28 (iii) to prepare or disseminate an election communication, an electioneering communication, or an

1 independent expenditure.

2 (b) Political committees include ballot issue committees, incidental committees, independent
3 committees, and political party committees.

4 (c) A candidate and the candidate's treasurer do not constitute a political committee.

5 (d) A political committee is not formed when:

6 (i) _____ a combination of two or more individuals or a person other than an individual makes an
7 election communication, an electioneering communication, or an independent expenditure of \$250 or less; or
8 (ii) _____ two or more candidates make an election communication or an electioneering communication
9 together in support of their own campaigns.

10 (e) A joint fundraising committee is not a political committee.

11 (35) "Political party committee" means a political committee formed by a political party organization
12 and includes all county and city central committees.

13 (36) "Political party organization" means a political organization that:

14 (a) was represented on the official ballot in either of the two most recent statewide general
15 elections; or

16 (b) has met the petition requirements provided in Title 13, chapter 10, part 5.

17 (37) "Political subdivision" means a county, consolidated municipal-county government,
18 municipality, special purpose district, or any other unit of government, except school districts, having authority
19 to hold an election.

20 (38) "Polling place election" means an election primarily conducted at polling places rather than by
21 mail under the provisions of Title 13, chapter 19.

22 (39) "Primary" or "primary election" means an election held on a date specified in 13-1-107 to
23 nominate candidates for offices filled at a general election.

24 (40) "Provisional ballot" means a ballot cast by an elector whose identity or eligibility to vote has not
25 been verified as provided by law.

26 (41) "Provisionally registered elector" means an individual whose application for voter registration
27 was accepted but whose identity or eligibility has not yet been verified as provided by law.

28 (42) "Public office" means a state, county, municipal, school, or other district office that is filled by

1 the people at an election.

2 (43) "Random-sample audit" means an audit involving a manual count of ballots from designated
3 races and ballot issues in precincts selected through a random process as provided in 13-17-503 and 13-17-
4 510.

5 (44) "Registrar" means the county election administrator and any regularly appointed deputy or
6 assistant election administrator.

7 (45) "Regular school election" means the school trustee election provided for in 20-20-105(1).

8 (46) "Religious organization" means a house of worship with the major purpose of supporting
9 religious activities, including but not limited to a church, mosque, shrine, synagogue, or temple. The organic
10 documents of the organization must list a formal code of doctrine and discipline, and the organization must
11 spend the majority of its money on religious activities such as regular religious services, educational
12 preparation for its ministers, development and support of its ministers, membership development, outreach and
13 support, and the production and distribution of religious literature developed by the organization.

14 (47) "School election" has the meaning provided in 20-1-101.

15 (48) "School election filing officer" means the filing officer with whom the declarations for nomination
16 for school district office were filed or with whom the school ballot issue was filed.

17 (49) "School recount board" means the board authorized pursuant to 20-20-420 to perform recount
18 duties in school elections.

19 (50) "Signature envelope" means an envelope that contains a secrecy envelope and ballot and that
20 is designed to:

21 (a) allow election officials, upon examination of the outside of the envelope, to determine that the
22 ballot is being submitted by someone who is in fact a qualified elector and who has not already voted; and

23 (b) allow it to be used in the United States mail.

24 (51) "Special election" means an election held on a day other than the day specified for a primary
25 election, general election, or regular school election.

26 (52) "Special purpose district" means an area with special boundaries created as authorized by law
27 for a specialized and limited purpose.

28 (53) "Statewide voter registration list" means the voter registration list established and maintained

1 pursuant to 13-2-107 and 13-2-108.

2 (54) "Support or oppose", including any variations of the term, means:

3 (a) using express words, including but not limited to "vote", "oppose", "support", "elect", "defeat", or
4 "reject", that call for the nomination, election, or defeat of one or more clearly identified candidates, the election
5 or defeat of one or more political parties, or the passage or defeat of one or more ballot issues submitted to
6 voters in an election; or

7 (b) otherwise referring to or depicting one or more clearly identified candidates, political parties, or
8 ballot issues in a manner that is susceptible of no reasonable interpretation other than as a call for the
9 nomination, election, or defeat of the candidate in an election, the election or defeat of the political party, or the
10 passage or defeat of the ballot issue or other question submitted to the voters in an election.

11 (55) "Valid vote" means a vote that has been counted as valid or determined to be valid as provided
12 in 13-15-206.

13 (56) "Voted ballot" means a ballot that is:

14 (a) deposited in the ballot box at a polling place;

15 (b) received at the election administrator's office; or

16 (c) returned to a place of deposit.

17 (57) "Voter interface device" means a voting system that:

18 (a) is accessible to electors with disabilities;

19 (b) communicates voting instructions and ballot information to a voter;

20 (c) allows the voter to select and vote for candidates and issues and to verify and change

21 selections; and

22 (d) produces a paper ballot that displays electors' choices so the elector can confirm the ballot's
23 accuracy and that may be manually counted.

24 (58) "Voting system" or "system" means any machine, device, technology, or equipment used to
25 automatically record, tabulate, or process the vote of an elector cast on a paper ballot."

26

27 **Section 2.** Section 13-37-232, MCA, is amended to read:

28 **"13-37-232. Disclosure requirements for incidental committees.** (1) A combination of two or more

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:

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

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

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

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

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

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

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

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

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

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

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

26 (7) An incidental committee that does not receive contributions for a specified candidate, ballot
27 issue, or petition for nomination and that does not solicit contributions for incidental committee election activity,
28 including in-kind expenditures, independent expenditures, election communications, or electioneering

1 communications, is required to report only its expenditures.

2 (8) An individual who is not a Montana resident may sign the incidental committee report if the
3 incidental committee is located outside of the state."

4

5 NEW SECTION. **Section 3. Appropriation.** There is appropriated \$1,000 from the general fund to
6 the commissioner of political practices for the fiscal year ending June 30, 2026, for the purposes of updating
7 and administering campaign finance reporting requirements.

8 - END -