

Unofficial Draft Copy

As of: May 8, 2018 (5:28pm)

LC9995

**** Bill No. ****

Introduced By *****

By Request of the *****

A Bill for an Act entitled: "An Act revising the constituent services account; revising the name of the program; revising the methods by which legislators receive the allowance or reimbursement; defining terms; providing activities for which the allowance or reimbursement are prohibited; allowing a separate account for funds; amending sections 5-2-204 and 13-37-402, MCA."

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 5-2-204, MCA, is amended to read:

"5-2-204. Constituent Legislator services stipend allowance and reimbursement. (1) Each legislator is entitled to ~~a stipend an amount~~ of \$3,000 in a biennium for ~~providing constituent services, which include but are not limited to unreimbursed expenses for mileage, per diem, or lodging as well as communication and information technology, such as expenses for telecommunications or internet, computer hardware and software, postage, and education-related expenses to represent constituents.~~ authorized activities related to serving in the legislature. The amount may be used as follows:

(a) \$2,000 will be made available [in the form of payment, reimbursement, or advance] for a legislator to use for the following unreimbursed, nontaxable items:

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(i) mileage and lodging at rates provided for in 2-18-501 and 2-18-503 for authorized activities;

(ii) meals at rates provided for in 2-18-501 and 2-18-502 when a legislator is in a travel status for authorized activities which require an overnight stay; and

(iii) education-related expenses related to attending meetings for interstate and intrastate organizations that provide opportunities for legislators to participate in in-state or out-of-state policy and civic educational activities. Education-related expenses under this subsection include transportation, meals, and lodging at rates provided for in this subsection (1)(a) and for registration costs.

(b) up to \$1,000 reimbursement to be used for taxable, unreimbursed communication and information technology, including internet, computer hardware and software, and postage for authorized activities or for items allowed under subsection (1)(a) that are determined to be subject to income tax withholding.

(2) Subject to subsections (4) and (5), legislators are allowed reimbursement of up to the amount provided for in subsection (3) in a biennium for otherwise unreimbursed expenses related to the legislator's expenses for mileage, meals, or lodging at rates provided for in 2-18-501 through 2-18-503 incurred for ~~providing constituent services~~ authorized activities or for items allowed under subsection (1)(a) that are determined to be subject to income tax withholding.

(3) The amount authorized under subsection (2) is:

(a) \$1,000 if the legislator's district is at least 100

square miles but less than 1,000 square miles;

(b) \$2,000 if the legislator's district is at least 1,000 square miles but less than 5,000 square miles;

(c) \$3,000 if the legislator's district is at least 5,000 square miles but less than 7,500 square miles; or

(d) \$4,000 if the legislator's district is 7,500 square miles or more.

(4) (a) For expenses authorized under subsection (1)(a), a receipt must be submitted to the legislative services division within 60 days of incurring the expense or the amount of time provided by federal law, whichever is less. If a receipt is not received within the time frame, the amount of the expenses will be withheld for income taxes at the appropriate rate and the amount of the withholding will be deducted from the amounts available in subsections (1)(b) or (2).

(b) For expenses authorized under ~~subsection~~ subsections (1)(b) and (2), a legislator shall apply for reimbursement to the legislative services division by submitting written documentation that satisfies applicable requirements of Title 2, chapter 18, part 5. A submission for reimbursement under this section is an assertion by a legislator that each reimbursement request listed on the submission complies with the provisions of this section. Any item for which reimbursement is sought may be subject to income tax withholding.

(5) Legislators may not be reimbursed for expenses paid from a constituent services account provided for in 13-37-402. The amount in subsection (1)(a) requires submission of a receipt

and record-keeping.

(6) (a) Except as provided in (6)(b), "authorized activities" include activities and services related to activity in the role of legislator and for serving constituents, including participation as a legislator in community, educational, and legislative activities and communications with constituents and other legislators.

(b) The following activities are prohibited:

(a) expenses related to election communications or electioneering communications as those terms are defined in 13-1-101, MCA;

(b) contributions, expenditures, or other expenses related to participation in a political committee, as those terms are defined in 13-1-101, MCA;

(c) costs for all or any portion of an event, meeting, fundraiser, or gathering at which contributions, as defined in 13-1-101, will be solicited or received by any person, and any direct or indirect travel, lodging, meals, entertainment, or other expenses related to the sponsorship of, attendance at, or participation in an event, meeting, fundraiser, or gathering at which contributions will be solicited or received, and any direct or indirect expenditure to support or oppose a candidate or ballot issue;

(d) costs for the participation in a political caucus or events organized by a particular political caucus;

(e) costs for membership or related to membership in an organization that has a purpose to advocate for or against

particular issues. This does not prohibit expenses related to membership organizations of which the legislature or a legislator is a member in an interstate or intrastate organization for legislators. Furthermore, this does not prohibit a legislator from using funds to attend educational events organized by a membership organization other than a political caucus and from speaking to membership organizations in the legislator's capacity solely as a legislator; and

(f) entertainment."

{Internal References to 5-2-204: None.}

Section 2. Section 13-37-402, MCA, is amended to read:

"13-37-402. Constituent accounts -- reports. (1) A constituent services account may be established to pay for constituent services by a successful candidate required to report under 13-37-229. A constituent services account may be established by filing an appropriate form with the commissioner.

(2) (a) A successful candidate may deposit only surplus campaign funds in a constituent services account.

(b) The money in the account may be used only for constituent services. The money in the account may not be used for personal benefit. Expenditures from a constituent services account may not be made when the holder of the constituent services account also has an open campaign account.

(3) A Except an account established solely to administer a legislator services allowance provided for in 5-2-204, a person described in subsection (1) may not establish any account related

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to the public official's office other than a constituent services account. This subsection does not prohibit a person from establishing a campaign account.

(4) The holder of a constituent services account shall file a quarterly report with the commissioner, by a date established by the commissioner by rule. The report must disclose the source of all money deposited in the account and enumerate expenditures from the account. The report must include the same information as required for a candidate required to report under 13-37-229. The report must be certified as provided in 13-37-231.

(5) The holder of a constituent services account shall close the account within 120 days after the account holder leaves public office."

{Internal References to 13-37-402:

5-2-204 13-37-240 13-37-401 13-37-401}

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