OFFICE OF THE GOVERNOR STATE OF MONTANA

STEVE BULLOCK GOVERNOR



MIKE COONEY LT. GOVERNOR

May 19, 2017

The Honorable Corey Stapleton Secretary of State State Capitol Helena, MT 59620

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby veto Senate Bill 368 (SB 368), "AN ACT GENERALLY REVISING CAMPAIGN PRACTICES LAWS; REVISING THE DEFINITION OF "EXPENDITURE"; INCREASING FILING FEES FOR LEGISLATIVE CANDIDATES; REVISING PROCEDURES USED BY THE COMMISSIONER TO ISSUE ORDERS OF NONCOMPLIANCE; REVISING LAWS RELATED TO INVESTIGATION OF CAMPAIGN PRACTICES AND ELECTION-RELATED COMPLAINTS; CREATING AN APPEAL PROCEDURE FOR A CANDIDATE, POLITICAL COMMITTEE, OR RESPONDENT TO APPEAL CERTAIN COMPLAINTS OR PRELIMINARY ORDERS OF NONCOMPLIANCE THAT ARE FILED OR ISSUED DURING CERTAIN TIME PERIODS; REVISING LIMITATIONS ON CAMPAIGN CONTRIBUTIONS; PROVIDING THAT THE COMMISSIONER MAY NOT INITIATE A CRIMINAL ACTION AGAINST A CANDIDATE FOR CERTAIN VIOLATIONS; REVISING THE AGGREGATE CONTRIBUTION AMOUNT THAT TRIGGERS DISCLOSURE OF CERTAIN CONTRIBUTOR INFORMATION; AND AMENDING SECTIONS 13-1-101, 13-10-202, 13-37-113, 13-37-115, 13-37-121, 13-37-124, 13-37-128, 13-37-206, 13-37-216, 13-37-218, 13-37-229, AND 13-37-232, MCA."

SB 368 restructures the Office of the Commissioner of Political Practices (COPP) and substantially raises campaign contribution limits in Montana. The proposed changes to the structure of the office would completely undermine its effectiveness and the increases in contribution limits are far above what Montanans believe to be acceptable. We would do well to remember that Montanans sent a very clear message with the passage of I-166 in 2012 that we do not need more money in politics.

SB 368 – among other things – imposes costly, on-demand mediation; confuses provisions of the law concerning complaint investigations with provisions concerning reporting requirements; and shifts the venue for enforcement actions out of Lewis and Clark County. First, on-demand mediation could be exploited to delay and increase the costs of enforcement by those who wish to operate in violation of the law for as long as possible. Second, existing law provides statutory authority to investigate potential campaign practices violations and *separate* authority to issue orders of noncompliance for failure to file required reports and statements. SB 368 confuses and merges these

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two authorities, creating a more complicated, confusing and unworkable system of enforcement. Third, shifting the venue for enforcement of campaign practice violations outside of Lewis and Clark County would strain the COPP's limited staff and drain the office's resources. The combined effect of these changes would severely undermine the ability of the Commissioner to enforce our campaign finance laws.

Further, SB 368 dramatically raises contribution limits. Montanans put our contribution limits in place through a citizens' initiative passed in 1994. In 2012, Montanans voted by a 75 percent margin in favor of I-166. That initiative delivered clear instructions to Montana's leaders to fight against the ever-increasing amount of money in politics. Montana's contribution limits reflect the will of the people and we should respect the people's will.

Due to the Montana Disclose Act and the significant efforts of the COPP over the course of the last two years, our 2016 elections were among the most transparent and cleanest on record. SB 368 is a palpably political effort to undo this progress.

For these reasons, I veto SB 368.

Sincerely,

STEVE BULLOCK

Governor

cc: Legislative Services Division

Scott Sales, President of the Senate Austin Knudsen, Speaker of the House