

BEFORE THE COMMISSIONER OF
POLITICAL PRACTICES

In the Matter of the Complaint)	
Against Citizens for More)	SUMMARY OF FACTS
Responsive Government)	AND
and Citizens for Clean Air)	STATEMENT OF FINDINGS
and Common Sense Laws)	

Jonathan Motl filed a complaint with the Commissioner of Political Practices (Commissioner) alleging that Citizens for More Responsive Government, a political committee, and Citizens for Clean Air and Common Sense Laws, a ballot issue committee, violated Montana campaign finance and practices laws.

Claim 1

The complaint alleges that Citizens for More Responsive Government and/or Citizens for Clean Air and Common Sense Laws failed to report or account for the costs of a poll conducted in the Helena area concerning Helena's second hand smoking ordinance.

Claim 2

The complaint alleges that Citizens for Clean Air and Common Sense Laws failed to account for the in-kind contribution or expense of fees paid to professionals involved in the drafting of a petition and other aspects of a ballot issue campaign.

SUMMARY OF FACTS

1. In June, 2001, the Helena City Commission passed City Ordinance 2911, prohibiting smoking in most buildings open to the public, including bars and restaurants. City Ordinance 2911 was scheduled to go into effect in September, 2001.

2. Shortly after City Ordinance 2911 was passed, opponents drafted a petition and began gathering signatures to put the issue of whether the ordinance should become law up for a vote of the Helena electorate.

3. The opponents of City Ordinance 2911 gathered sufficient signatures to require a vote on the issue, and the Helena City Commission decided to place the ordinance on the June, 2002, primary election ballot.

4. On July 6, 2001, a political committee filed a form C-2 Statement of Organization with the Commissioner's office naming itself "Businesses and Citizens for Repeal of Helena's Smoking Ban." The C-2 classified the committee as a ballot issue committee and stated that the purpose of the committee was to oppose City Ordinance 2911 or to seek its repeal. Laura Fix was certified as treasurer of the committee and Terry Alborn, a Certified Public Accountant with the Junkermier, Clark, Campanella, Stevens accounting firm (JCCS), was certified as deputy treasurer of the committee. Toni Sparks, another employee of JCCS, assisted Alborn with the maintenance of the accounts of the committee.

5. On September 7, 2001, a political committee filed a form C-2 Statement of Organization with the Commissioner's office naming itself "Helenans For More Responsive Government." The C-2 stated that the purpose of the committee was "influencing local Helena area elections and decisions toward more responsive government." Stephen Visocan was certified treasurer of the committee, and Terry Alborn was certified deputy treasurer.

6. On October 16, 2001, Helenans for More Responsive Government filed an amended C-2, changing its name to "Citizens For More Responsive Government" (CMRG).

7. On February 27, 2002, Businesses and Citizens for Repeal of Helena's Smoking Ban filed an amended C-2, changing its name to Citizens for Clean Air and Common Sense Laws (CCACSL).

8. The Helena Partnership, LLC, is a limited liability partnership registered with the Montana Secretary of State. Its purpose is listed as real estate investment and management. Kent Frampton is the managing partner.

9. In October, 2001, the Helena Partnership retained A & A Research of Kalispell, Montana, to conduct a telephone survey in Helena regarding smoking and privately owned businesses. The survey was conducted on October 17 and 18, 2001, and consisted of approximately 300 contacts by telephone. The survey questions did not specifically refer to City Ordinance 2911.

10. A & A Research billed the Helena Partnership \$2,675 for the survey. The invoice was paid with a check dated November 7, 2001, drawn on the account of the Helena Partnership.

11. The complaint alleges that the cost of the survey should have been reported or otherwise accounted for by either CMRG or CCACSL. Jonathan Motl, the complainant, alleges that CMRG filed a pre-election campaign finance report on October 25, 2001, and that the report did not disclose the expense of the survey. In addition, Mr. Motl contends he conducted a private inspection of CCACSL's records on October 30, 2001, and found no record of the expense of the survey¹.

12. CMRG filed a campaign finance report on October 25, 2001. Although the report lists several cash contributions from the Helena Partnership, it does not report an incidental committee contribution or an in-kind contribution from the Helena Partnership reflecting the value of the telephone survey conducted by A & A Research. Subsequent campaign finance reports filed by CMRG also do not report the value of the telephone survey as an incidental committee contribution or an in-kind contribution to CMRG.

13. The Helena Partnership contends it provided the results of the telephone survey to CCACSL on February 26, 2002. The Helena Partnership filed an incidental political committee finance report on June 12, 2002, for the period November 22, 2001, through May 16, 2002. The report lists in-kind contributions to CCACSL valued at

¹ At the time of the inspection CCACSL was still named "Businesses and Citizens for Repeal of Helena's Smoking Ban."

\$3,397.25 during that period of time, described as consisting of “staff time, travel, office expense, survey.”

14. The Helena Partnership contends that it never provided the results of the telephone survey to CMRG.

15. CCACSL filed its first campaign finance report on May 29, 2002, for the period July 6, 2001, through May 18, 2002. The report lists as an incidental committee contribution from the Helena Partnership, the “A & A Research Survey.” The contribution is reported to have been received on February 26, 2002, and is valued at \$2,675.

16. A March 5, 2002, email to from Ann Tedesco to Toni Sparks describes in-kind contributions from the Helena Partnership:

Citizens for Clean Air and Common Sense Laws

In-kind contributions received from Helena Partnership (Kent Frampton):

2/26/02 Meeting space \$25

2/26/02 Helena survey regarding smoking by A&A Research 10/01 \$2,600

A copy of the March 5, 2002, email was included in the documents made available by CCACSL for Jonathan Motl’s inspection on March 13, 2002 (see Facts 22 and 23).

17. No evidence was disclosed during this investigation tending to establish that the Helena Partnership provided the results of the telephone survey to CCACSL prior to February 26, 2002.

18. No evidence was disclosed during this investigation tending to establish that the Helena Partnership provided the results of the telephone survey to CMRG.

19. In a letter dated March 21, 2002, complainant Jonathan Motl provided supplemental information and made additional allegations against CCACSL. In October, 2001, representing himself as a deputy campaign treasurer of American Cancer Society, American Lung Association, American Heart Association, Helena Health Care Professionals, and Citizens in Support of Helena’s Second Hand Smoke

Ordinance (hereinafter “American Cancer Society committee”), a ballot issue committee organized in support of City Ordinance 2911, Mr. Motl demanded the right to inspect the accounts of CCACSL, pursuant to Montana Code Annotated § 13-37-209.

20. Mr. Motl, acting for the American Cancer Society committee, made the first inspection of CCACSL’s records on October 30, 2001. The American Cancer Society committee and CCACSL thereafter agreed to periodic mutual inspections or exchanges of information. Although a dispute arose in March, 2002, regarding whether Mr. Motl was in fact a deputy campaign treasurer of the American Cancer Society committee and thereby entitled to inspect the accounts of an opposing political committee, CCACSL acknowledged during inspections in November, 2001, through February, 2002, that Mr. Motl had the right to inspect its accounts. For example, a February 15, 2002, letter from Toni Sparks to Jonathan Motl began: “In compliance with our agreement to exchange account records for our opposing political committees I am reporting”

21. Based on the documents made available for inspection by CCACSL, Mr. Motl contends that CCACSL failed to disclose in a timely manner certain fees or debts owed to attorneys Chris Gallus and Mark Staples, and consultant Ann Tedesco. Mr. Motl also contends that CCACSL’s accounts were not current according to the requirements of Montana Code Annotated § 13-37-208.

22. Montana Code Annotated § 13-37-209 authorizes a campaign treasurer of a political committee to inspect accounts maintained by an opposing political committee under reasonable circumstances. Montana Code Annotated § 13-37-208 requires a political committee’s accounts to be current “within not more than 10 days after the date of receiving a contribution or making an expenditure,” and “as of the 5th day before the date of filing” of a campaign finance report.

23. According to Mr. Motl’s letter of March 21, 2002, his first periodic inspection of the accounts of CCACSL (following his October 30, 2001 inspection) occurred on November 6, 2001, for the period July 10 through November 5, 2001. Mr. Motl’s letter

states that mutual disclosures between the two committees occurred thereafter on the following dates covering the following time periods:

<u>Disclosure date</u>	<u>Time period covered</u>
November 27, 2001	November 6 through November 27, 2001
December 19, 2001	November 18 [sic] through December 19, 2001
January 15, 2002	December 20, 2001 through January 15, 2002
February 15, 2002	January 16 through February 15, 2002
March 13, 2002	February 15 through March 13, 2002

24. Mr. Motl's letter of March 21, 2002, includes copies of documents maintained in CCACSL's files during the November 6, 2001, and March 13, 2002, inspections. In addition, the letter includes selected copies of correspondence between Motl and JCCS, the accounting firm retained by CCACSL to maintain the accounts of the committee.²

25. During the investigation of this complaint, CCACSL, through its attorney, provided copies of the committee's records maintained by JCCS, including bank records, records of contributions and expenditures, invoices for professional services, and correspondence.

26. Chris Gallus, a Helena attorney, was retained by CCACSL to provide certain legal services. In a written response to the complaint filed on behalf of CCACSL on November 16, 2001, Mr. Gallus stated that he drafted the petition language regarding the repeal or nullification of City Ordinance 2911 and provided legal services related to qualifying the issue for the ballot. The response states that Mr. Gallus intended to bill CCACSL \$275 for those services but that as of November 16, 2001, he had not yet submitted an invoice to CCACSL. Mr. Gallus' response also states that he had "made the committee aware" that he had performed certain legal services related to the efforts to invalidate City Ordinance 2911.

² As noted in Fact 4, Terry Alborn, a CPA with JCCS, was appointed to act as deputy treasurer of CCACSL.

27. Mr. Gallus submitted an invoice for his legal services to CCACSL on December 11, 2001. The invoice sought payment for 35 hours of legal work broken down as follows: 2.75 hours for legal services “relating to draft petition and other initial work;” 23.25 hours for legal work “relating to complaint and meetings/consultations;” and 9 hours for “general research regarding ordinance repeal.” The invoice does not specify when each portion of the work was actually performed. Mr. Gallus billed his time at \$100 per hour; therefore, the total bill was \$3,500 for the 35 hours of legal work invoiced. CCACSL paid the \$3,500 bill for Mr. Gallus’ services with a check dated February 20, 2002.

28. Although some of Mr. Gallus’ work was performed prior to the November 6 and November 27, 2001, inspections of CCACSL’s accounts by Mr. Motl, at the time of those inspections CCACSL’s accounts did not disclose any debts or estimated debts owed by CCACSL to Mr. Gallus for the legal services he had performed.

29. Ann Tedesco, a private consultant, was hired by CCACSL to provide consulting services related to the committee’s efforts to invalidate City Ordinance 2911. Ms. Tedesco billed her time at \$45 per hour and submitted periodic invoices to CCACSL.

30. CCACSL’s records that were available for inspection by Mr. Motl on November 6, 2001, include a July 16, 2001, invoice submitted by Ms. Tedesco for 25 hours of work performed between June 28 and July 16, 2001, for a total invoice amount of \$1,125. The invoice was paid by CCACSL with a check dated July 17, 2001.

31. CCACSL’s records available for inspection on November 6, 2001, included a July 31, 2001, invoice submitted by Ms. Tedesco for 23 hours of work performed between July 17 and July 23, 2001, for a total invoice amount of \$1,035. The invoice was paid by CCACSL with a check dated August 3, 2001.

32. CCACSL’s records available for inspection on November 6, 2001, included an August 20, 2001, invoice submitted by Ms. Tedesco for 36.5 hours of work

performed between July 24 and July 31, 2001, for a total invoice amount of \$1,642.50. The invoice was paid by CCACSL with a check dated August 25, 2001.

33. CCACSL's records available for inspection on November 6, 2001, included an August 31, 2001, invoice submitted by Ms. Tedesco for 40.5 hours of work performed between August 1 and August 8, 2001, for a total invoice amount of \$1,822.50. The invoice was paid by CCACSL with a check dated September 6, 2001.

34. CCACSL's records available for inspection on November 6, 2001, do not include any additional invoices submitted by Ms. Tedesco for her consulting services; however, a handwritten notation in the records that were available for inspection contains the following notations:

9/18/01	#1041	Ann	\$1,000.00
10/9	#1042	Ann	\$500.00

CCACSL bank account records produced in response to this investigation show that CCACSL wrote check nos. 1041 and 1042 to Ms. Tedesco for, respectively, \$1,000 and \$500 on September 18 and October 9, 2001.

35. CCACSL bank records also show that it wrote check no. 1045 to Ms. Tedesco for \$500 on November 2, 2001. The check was cashed on November 6, 2001. No record of this transaction was included in the records made available by CCACSL for Mr. Motl's inspection on November 6, 2001.

36. In a letter to Mr. Motl dated December 19, 2001, Toni Sparks disclosed the November 2, 2001, payment of \$500 to Ann Tedesco and listed the \$3,500 debt to Chris Gallus as an expense not yet paid. Both were represented in the letter from Ms. Sparks as "new transactions that occurred since our last exchange of information on November 27, 2001."

37. Mark Staples is a Helena attorney. Mr. Staples was not directly engaged by CCACSL to provide legal services; however, records provided by CCACSL contain

several references to telephone conferences between Mr. Staples, Chris Gallus³, Ann Tedesco, and others who were involved in the activities of CCACSL. According to invoices submitted by Ann Tedesco for her work on behalf of CCACSL, she had telephone conferences in which Mr. Staples participated on the following dates in 2001: June 29, July 4, July 10, July 11, and July 12. In addition, several other invoice entries refer to telephone conferences with “attorneys.” It is not clear how much time was spent on each telephone conference, because on the invoices the telephone conferences are combined with other tasks that Ms. Tedesco performed for CCACSL.

38. Mark Staples has a contract with the Montana Tavern Association (MTA) pursuant to which he provides legal and lobbying services to MTA in exchange for an agreed upon yearly fee paid by MTA in twelve monthly installments. The monthly payments do not vary during the term of the contract regardless of the amount and nature of the work performed by Mr. Staples for MTA. According to Mr. Staples, based on this arrangement he never bills out his time by the hour for work he performs for MTA.

39. Mr. Staples recalls participating in several telephone conferences with Ann Tedesco and, possibly, Chris Gallus, regarding City Ordinance 2911 and the efforts to prepare a petition to invalidate the ordinance. Mr. Staples does not recall offering specific legal advice during those telephone conferences. Mr. Staples did not bill his time spent participating in those calls, but his time may have been reported later by CCACSL as an in-kind contribution from MTA (see discussion in Facts 50 and 51).

40. Mr. Staples recalls that he may have attended several meetings held by CCACSL between the time the petition language was approved and the election on City Ordinance 2911 which was held in June, 2002. Mr. Staples did not bill his time spent participating in those meetings, but his time may have been reported later by CCACSL as an in-kind contribution from MTA (see discussion in Facts 50 and 51).

³ Mr. Staples and Mr. Gallus are typically referred to on the invoices as “MS” and “CG.”

41. A July 2, 2001, letter from Mr. Staples on his law firm letterhead served as a cover letter for transmittal of a sample petition to Paulette DeHart, Lewis and Clark County Election Administrator, for the repeal of City Ordinance 2911. Although Mr. Staples signed the letter, Chris Gallus contends that he actually drafted the text of the petition and letter and emailed them to Mr. Staples, since Mr. Gallus was at that time practicing law in Butte. Mr. Staples confirms that version of events and contends he had no involvement in drafting the petition language.

42. Marilyn Bracken is the Elections Supervisor for Lewis & Clark County. She recalls that Ann Tedesco delivered the petition to her office, accompanied by the cover letter from the Staples Law Firm. Although Ms. Bracken recalls Ms. Tedesco mentioning Mark Staples by name, Ms. Bracken does not recall dealing directly with Mr. Staples regarding the petition or the petition language.

43. Helena City Attorney David Nielsen recalls he was advised by the employees in the Election Administrator's office that Mr. Staples was preparing the language for the petition. Mr. Nielsen did not have any direct dealings with Mr. Staples regarding the petition or the petition language; and, as noted previously, Mr. Staples contends he had no involvement in drafting the petition language.

44. Aside from the references to Mr. Staples as a participant in telephone conferences on the invoices submitted by Ms. Tedesco, none of the CCACSL records available for inspection by Mr. Motl on November 6, 2001, disclose the extent or value of any legal services that may have been performed by Mr. Staples in relation to the petition or the petition language.

45. Toni Sparks sent a letter to Mr. Motl dated January 15, 2002, stating that there had been "no new transactions" for CCACSL for the period between December 20, 2001, and January 15, 2002.

46. Ms. Sparks sent a letter to Mr. Motl dated February 15, 2002, stating that there had been no new transactions for CCACSL for the period between January 16

and February 15, 2002. “No new transactions” was defined in the letter as meaning “no financial contributions, no in-kind contributions, and no expenditures.”

47. CCACSL’s records that were available for inspection by Mr. Motl on March 13, 2002, include a copy of Mr. Gallus’ \$3,500 invoice for services performed for CCACSL beginning in June, 2001, along with a copy of a check to Mr. Gallus for that amount, dated February 20, 2002. No records available for inspection on March 13, 2002, disclose whether Mr. Gallus performed additional legal services between those invoiced on December 11, 2001, and March 13, 2002.

48. The CCACSL records available for inspection on March 13, 2002, include a January 31, 2002, invoice from Ms. Tedesco for \$1,300 for “project management services” for the month of January, 2002. CCACSL bank records show that the invoice was paid with a check dated February 20, 2002.

49. The CCACSL records available for inspection on March 13, 2002, include a February 28, 2002, invoice from Ms. Tedesco for \$1,300 for “project management services” for the month of February, 2002. CCACSL bank records show that the invoice was paid with a check dated March 5, 2002.

50. The CCACSL records available for inspection on March 13, 2002, include a document entitled “In-Kind Contribution Calculation Sheet.” The document records an in-kind contribution from MTA to CCACSL for four hours of Mark Staples’ time at the rate of \$80 per hour. Mark Staples does not recall compiling the document, and he does not know how his time or the hourly rate were calculated since he does not bill his time on an hourly basis for work he performs for MTA (see Fact 38). Mr. Staples surmised that the document reflects an effort to account for the time he spent engaged in telephone conferences and meetings related to CCACSL matters as described in Facts 37, 39, and 40.

51. The value of four hours of Mark Staples’ time performing legal services was reported by CCACSL as an “incidental committee contribution” from MTA in CCACSL’s

campaign finance report for the period July 6, 2001, to May 18, 2002, filed with the Commissioner on May 29, 2002.

52. The May 29, 2002, campaign finance report also reported the following amounts under the category "Debts and Loans Not Yet Paid:"

Chris Gallus	Legal Services	3/31/02	\$900
Chris Gallus	Legal Services	4/14/02	\$500
Chris Gallus	Legal Services	5/1/02	\$500
Chris Gallus	Legal Services	5/15/02	\$500
Ann Tedesco	Consulting	5/9/02	\$580
Ann Tedesco	Consulting	5/16/02	\$350
Ann Tedesco	Consulting	5/16/02	\$200

STATEMENT OF FINDINGS

Claim I

The complaint alleges that CMRG and/or CCACSL failed to report or account for the costs of a poll conducted in the Helena area concerning Helena's second hand smoking ordinance. The circumstances regarding the commissioning of a survey by the Helena Partnership are described in Facts 8 through 10. As noted, there is no evidence that either CMRG or CCACSL had any involvement in arranging for the performance of the survey. The Helena Partnership retained A & A Research to conduct the survey and paid A & A Research's bill for the survey.

CCACSL reported the full value of the survey as an incidental committee contribution received from the Helena Partnership on February 26, 2002. There is no evidence that the results of the survey were conveyed to CCACSL prior to February 26, 2002. There is also no evidence that the results of the survey were conveyed to CMRG.

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Claim 2

The complaint alleges that CCACSL failed to account for the in-kind contribution or expense of fees paid to professionals involved in the drafting of a petition and other aspects of the ballot issue campaign to request a referendum on City Ordinance 2911. Essentially, the complaint appears to allege that CCACSL, during inspections conducted by Mr. Motl, on behalf of the American Cancer Society committee, 1) should have disclosed debts owed but not yet paid for professional services provided to the committee by Chris Gallus and Ann Tedesco, and 2) that the committee should have earlier disclosed as an in-kind contribution the value of legal services provided by Mark Staples.

The American Cancer Society committee's inspections of CCACSL's records⁴ were made under the authority of Montana Code Annotated § 13-37-209, which provides:

Inspection of records. Accounts kept by the campaign treasurer of a candidate or political committee may be inspected under reasonable circumstances before, during, or after the election to which the accounts refer by the campaign treasurer of any opposing candidate or political committee in the same electoral district. The right of inspection may be enforced by appropriate writ issued by any court of competent jurisdiction. The campaign treasurers of political committees supporting a candidate may be joined with the campaign treasurer of the candidate as respondents in such a proceeding.

Montana Code Annotated § 13-37-208 requires the campaign treasurer of a political committee to keep "detailed accounts (current within not more than 10 days after the date of receiving a contribution or making an expenditure . . .) of all contributions received and all expenditures made by or on behalf of the . . . political committee that are required to be set forth in a report filed under this chapter."

⁴ As noted in Fact 20, although CCACSL eventually challenged Jonathan Motl's legal right to conduct inspections of its accounts, the political committee acquiesced to Mr. Motl's inspections for a period of more than four months until the dispute regarding Mr. Mot's authority arose in March, 2002.

The Commissioner's rules provide further guidance regarding the meaning of the term "accounts." ARM 44.10.501, designated "Uniform System of Accounts," states that each person who is required to file campaign finance reports "shall maintain a system of accounts as prescribed and published in manual form by the commissioner." The required system of accounts "provides, on a current basis, the detail and summary information necessary for preparing, directly from the accounting records, the reports required by Title 13, chapter 37, MCA." ARM 44.10.501(2).

Montana Code Annotated § 13-37-230(6) requires each campaign finance report filed by a political committee to disclose "the amount and nature of debts and obligations owed by a political committee" ARM 44.10.535 also requires reports to "disclose all debts and obligations owed by a . . . political committee," and they must continue to be reported "for as long as they remain outstanding." In addition, "[i]f the exact amount of a debt or obligation is not known, the estimated amount owed shall be reported." ARM 44.10.535(2).

These statutes and rules, read together, clearly require a political committee to keep its "accounts" current, and to make those accounts available for inspection by an opposing political committee. The accounts must include "the detail and summary information necessary for preparing, directly from the accounting records, the reports required by Title 13, chapter 37, MCA." ARM 44.10.501(2). The "accounts" maintained by a political committee must therefore include all information that would be necessary to file campaign finance reports, including "the amount and nature of debts and obligations owed by a political committee." Montana Code Annotated § 13-37-230(6).

The Services Provided by Chris Gallus

As noted in Facts 26 through 28, although some of attorney Chris Gallus's legal services were provided for the committee prior to November 6, 2001, CCACSL's accounts that were made available for inspection by Mr. Motl on that date did not disclose a debt owed by CCACSL to Mr. Gallus for legal services. The debt was also

not disclosed during the November 27, 2001, inspection by Mr. Motl, even though most of Mr. Gallus's legal services were provided to the committee prior to that date. According to ARM 44.10.535(2), if the exact amount of the debt owed to Mr. Gallus was not known, the committee was required to have sufficient information available to enable it to report an estimate of the amount owed.

In addition, the documents that CCACSL made available for inspection on March 13, 2002, did not disclose a debt for any legal services that may have been provided by Mr. Gallus between the invoice for his services of December 11, 2001, and the inspection on March 13, 2002. (Fact 47). According to CCACSL's May 29, 2002, campaign finance report, Mr. Gallus was paid \$900 on March 31, 2002, \$500 on April 14, 2002, \$500 on May 1, 2002, and \$500 on May 15, 2002. The report does not specify when the legal services were actually performed by Mr. Gallus. If any legal services were provided by Mr. Gallus between December 11, 2001, and March 13, 2002, CCACSL should have documented the value of those services (or an estimate) as a debt owed to Mr. Gallus

The Services Provided by Ann Tedesco

The records made available by CCACSL for inspection on November 6, 2001, do not disclose a debt or an estimated debt for the value of any services that may have been provided by Ann Tedesco between August 8 and November 6, 2001. The records included an August 31, 2001, invoice submitted by Ms. Tedesco for her services between August 1 and 8, 2001. (Fact 33). The records also included notations indicating that Ms. Tedesco may have been paid \$1,000 on September 18, 2001, and \$500 on October 9, 2001. (Fact 34); however, the records made available for the November 6, 2001, inspection did not include any invoices from Ms. Tedesco describing the work performed for those two payments, nor did they disclose the time periods to which those payments applied. The records also did not disclose whether Ms. Tedesco performed any services between October 9 and November 6, 2001. If she did, the

records maintained by CCACSL should have disclosed a debt owed to Ms. Tedesco or an estimate of a debt.

CCACSL also failed to disclose in a timely manner an expenditure of \$500 paid on November 2, 2001, for consulting services performed by Ann Tedesco. (Fact 35). This amount should have been disclosed on November 6, 2001, during Mr. Motl's inspection of CCACSL's accounts. The amount was not disclosed until December 19, 2001. (Fact 36).

The Services Provided by Mark Staples

CCACSL failed to disclose a debt or obligation for the in-kind value of legal services performed by attorney Mark Staples in connection with the efforts to repeal City Ordinance 2911. As described in Facts 37, 39, and 40, Mr. Staples participated in several telephone conferences and attended several meetings related to the activities of CCACSL. Although Mr. Staples did not have a contract to provide legal services to CCACSL, the value of four hours of his time was later reported as an in-kind contribution from the Montana Tavern Association to CCACSL. (Facts 50 and 51). This amount was not disclosed by CCACSL until the March 13, 2002, inspection conducted by Mr. Motl. The estimated value of the legal services or advice rendered by Mr. Staples should have been disclosed during all of the inspections or exchanges of information prior to March 13, 2002.

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CONCLUSION

Based on the preceding Summary of Facts and Statement of Findings, there is substantial evidence to conclude that CCACSL violated Montana campaign finance reporting and disclosure laws and regulations.

Dated this _____ day of April, 2004.

Linda L. Vaughey
Commissioner

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 20th day of April, 2004, the foregoing Decision of the Commissioner was served on the parties hereto, addressed to the parties as follows:

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