

BEFORE THE COMMISSIONER OF
POLITICAL PRACTICES

In the Matter of Glen C. Swope's Complaint Against Steve Bullock)))	SUMMARY OF FACTS, STATEMENT OF FINDINGS AND CONCLUSION
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Bozeman resident Glen C. Swope ("Swope") submitted a complaint on September 7, 2012, alleging candidate for Governor Steve Bullock ("Bullock") violated Montana Code Annotated §13-35-227 by accepting campaign contributions from corporations in five separate instances. Commissioner James W. Murry recused himself pursuant to §13-37-111, MCA, and the undersigned was appointed Deputy Commissioner for purposes of resolving this complaint.

The Bullock Campaign responded with factual information and documentation. For the reasons noted below, the Deputy Commissioner concludes none of the instances described in the complaint were unlawful corporate contributions.

SUMMARY OF FACTS

Allegation 1: "On May 1st 2009 Candidate Bullock received \$310 from Publisher's Clearing (address: 382 Channel Dr. Port Washington NY 11050-2219 Which is a LLC (http://en.wikipedia.org/wiki/Publishers_Clearing_House) as well as the Attorney General of New York Settlement agreement defining their business

<http://www.nytimes.com/2000/08/23/us/publishers-clearing-house-strikes-deceptive-practices-accord.html>” [sic]

Factual Finding: The \$310 contribution check was drawn on an account designated “Publishers Clearing House Political Action Committee,” a political action committee that was registered with the Federal Election Commission (FEC) at the time of the contribution. The political action committee filed a report with the FEC for the time period covering the contribution to Bullock but did not provide a copy of the report to the Montana Commissioner of Political Practices.

Allegation 2: “On 3 separate occasions Mr. Bullock received funds from ‘Citizens for Responsible Government – Employees of MSE’, 5/12/11 for \$300.00, 12/7/2011 for \$300, 12/14/2011 for \$660.00. The address for ‘Citizens for Responsible Government – Employees of MSE’ is the same address as MSE Technology in Butte (PO Box 4078, Butte MT 69701). MSE Technology is trying to hide a corporate contribution to Mr. Bullock’s campaign by hiding it thru a crafty shadow nonexistent entity.”

Factual Finding: The Bullock Campaign received donations from “Citizens for Responsible Government, Employees of MSE, Inc. Political Action Committee.” That political action committee filed its report with the Federal Election Commission and also filed a copy with the Montana Commissioner of Political Practices. There is no evidence Bullock received contributions from MSE Technology.

Allegation 3: “Mr. Bullock received \$600 from McDaniel Leadership PAC. Again this organization is not registered with Commissioner of Political Practices and appears to be tied to a corporation out of Arkansas, if not then Mr. Bullock has received

contributions from an illegal entity that is not in compliance with the laws of the State of Montana which Mr. Bullock is responsible to enforce.”

Factual Finding: The Bullock campaign received and properly reported a donation from McDaniel Leadership PAC. Dustin McDaniel is Arkansas’ Attorney General. The McDaniel Leadership PAC is registered with the Arkansas Secretary of State as a political action committee. The McDaniel Leadership PAC did not provide a copy of its Arkansas Campaign finance report reflecting this contribution to the Montana Commissioner of Political Practices. There is no evidence the contribution came from a corporation.

Allegation 4: “Mr. Bullock received over the allowed contribution limit from Lowe’s Companies, Inc. PAC. His first reported contribution was on 6/5/2012 in the amount of \$1,260. However there is no FEC report or PAC or any state record that Lowes PAC exists therefore it must be part of the Lowes Corporation. Mr. Bullock reported receiving two contributions for \$630 However without designation it must be construed that it was for the primary, thus put Mr. Bullock over the limit by \$630.”

Factual Finding: The Bullock campaign received two separate checks from Lowe’s Companies, Inc., Political Action Committee on or about June 5, 2012. Copies of the checks indicate both were dated May 30, 2012 and both in the amount of \$630.00. The Bullock campaign informed the Commissioner’s investigator the two checks were sent following a conversation between a representative of the campaign and a representative of the PAC regarding campaign limits applicable to the primary and general elections; the two checks were verbally designated as separate contributions for the primary and general elections in accordance with this conversation.

Lowes Companies, Inc. PAC is registered with the Federal Election Commission as a political action committee. On the PAC's Federal Election Commission report covering these contributions, it designated one of its \$630 checks to the Bullock Campaign for the primary election fund and the other \$630 check to the general election fund. Lowes Companies, Inc. PAC did not provide a copy of its FEC report reflecting these contributions to the Montana Commissioner of Political Practices. There is no evidence these were illegal contributions.

Allegation 5: "Mr. Bullock reported \$15 for lodging at Big Sky Resort on 1/15/2012, this is not the normal cost of a room at the resort and constitutes a corporate contribution to the campaign."

Factual Finding: In response to the investigator's request, the Bullock Campaign submitted the Big Sky Resort billing invoice. The invoice clearly shows a \$15.00 charge on January 14, 2012 for parking. The Bullock Campaign conceded it mistakenly characterized the \$15 Big Sky Resort expense as lodging instead of parking. While this was error on the report, the allegation of corporate contribution is unfounded.

STATEMENT OF FINDINGS

Swope alleges the Bullock Campaign violated Montana Code Annotated § 13-35-227, which provides:

Prohibited contributions from corporations. (1) A corporation may not make a contribution or an expenditure in connection with a candidate or a political committee that supports or opposes a candidate or a political party. (2) A person, candidate, or political committee may not accept or receive a corporate contribution described in subsection (1). (3) This section does not prohibit the establishment or administration of a separate, segregated fund to be used for making political contributions or expenditures if the fund consists only of voluntary contributions solicited from an individual who is a shareholder, employee, or member of the corporation.

(4) A person who violates this section is subject to the civil penalty provisions of 13-37-128.

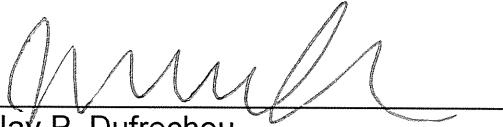
The facts demonstrate the money contributions referenced in Swope's allegations 1 through 4 were all contributions from political action committees, not corporations. Allegations that any PAC was not in compliance with reporting requirements to the Montana Commissioner of Political Practices does not transform the contributions into illegal corporate contributions. Montana law does not require candidates to verify compliance by PACs with reporting requirements to the Montana Commissioner of Political Practices in order to accept contributions.

With regard to the alleged in-kind contribution from Big Sky Resort, the facts demonstrate there was no such contribution. While the Bullock Campaign did mischaracterize a \$15 expense, it did not accept an in-kind contribution from Big Sky Resort.

CONCLUSION

The complaint's allegations that Bullock violated §13-35-227, MCA, is not substantiated by the evidence. The complaint is dismissed.

DATED this 24th day of October, 2012.


Jay P. Dufrechou
Deputy Commissioner of Political Practices