## House Bill 779

## In The House

February 16, 1981

Introduced and referred to Committee on State

Administration.

April 23, 1981

Died in Committee.

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1		HOUSE FILL NO. 779
2	INTRODUCED BY	Jackbaner !

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR A
TEMPORARY COMMISSION TO REGULATE BALLOT ISSUE CAMPAIGN
PRACTICES."

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

Section I. Commission of ballot issue advertising practices. (1) There is a commission of ballot issue advertising practices.

- (2) The commission consists of five members, one of whom is appointed by the attorney general, one by the secretary of state, one by the speaker of the house, one by the president of the senate, and a fifth member appointed by the first four members to serve as chairman. Each member must be a resident of the state.
- (3) Appointments must be made by July 15 of each general election year. No member may be associated in any way with a ballot issue campaign during the year of his appointment.
- (4) Not more than three members may be from the same congressional district or the same political party.
- (5) The members shall serve a temporary term in each general election year of 3 months from August 15 to Movember

2 (6) The commission is allocated to the office of the 3 secretary of state for administrative purposes only as 4 prescribed in 2-15-121.

Section 2. Definitions. Unless the context requiresotherwise, the following definitions apply:

- 7 (1) "Commission" means the commission of ballot issue 8 advertising practices.
- 9 (2) "False" means clearly incorrect, contrary to fact,
  10 mistaken, or untruthful.
- 11 (3) "Misleading" means clearly inaccurate,
  12 exaggerative, or designed to deceive or cause misperception.

Section 3. Compensation of members -- expenses. Each member of the commission is entitled to receive as compensation for each day actually spent on official duties the sum of \$45 and travel expenses, as provided for in 2-12-501 through 2-19-503.

Section 4. Attorney general to act as attorney for commission. The attorney general shall act as attorney for the commission in actions and proceedings brought by or against it under [this act]. Fees and expenses of the attorney general acting in this capacity shall be paid out of the commission's account in the earmarked revenue fund.

Section 5. False or misleading statements relating to ballot issues. No person or political committee as defined in 13-1-101 may knowingly, either through actual or constructive knowledge, make, publish, or circulate any false or misleading statement, claim, slogan, or message in any letter, circular, advertisement, telaphone advertising, or poster or in any other writing or form of media including radio, television, buttons, or stickers, that is designed to affect the vote on any ballot issue provided for in Title 13, chapter 27.

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Section 6. Statement of opinion — penalty. (1) Any letter, circular, advertisement, or poster or any other writing or electronic advertisement paid for by a political committee or person and designed to affect the vote on any ballot issue must contain within it a clearly conspicuous statement that all information contained therein is an expression of opinion of the person or committee disseminating the information.

(2) Failure to comply with this section is punishable by a fine of \$50 per letter, circular, advertisement, or segment or unit of any other writing referred to in subsection (1).

Section 7. Initiation of proceedings — public disclaimer — penalties. (1) The commission shall, on the sworn complaint in writing of any individual, determine whether a person or political committee has violated the provisions of [section 5 or 6].

- 1 (2) If the commission determines by a vote of a
  2 majority of its members that a person or committee has
  3 violated [section 5], it may order the offending party to
  4 either discontinue issuance of the false or misleading
  5 information or to issue a public disclaimer in the same
  6 medium or media that carried the false or misleading
  7 information stating:
- (a) that this information was found to be false or misleading; and
  - (b) the reasons for the finding.
  - (3) A person or committee that fails to comply with an order of the commission is subject to a fine of \$500 a day.

    Any penalties collected under this subsection shall be deposited in the revenue fund account earmarked for operation of the commission.
  - Section 8. Expedited hearing -- frivolous or unfounded complaint -- notice and hearing. (1) Upon receipt of a complaint, the commission shall schedule a hearing within 3 days of receipt of the complaint and shall render a determination within 7 days of receipt.
- (2) Whenever a complaint is received after October 15 of a general election year, the commission shall schedule a hearing within 1 day of receipt of the complaint and shall render a determination within 3 days of receipt.
- (3) The commission may assess corts including

reasonable costs incurred by a defendant against any complaining party who submits a complaint found by the commission to be frivolous or without foundation.

(4) Each party to a proceeding under this section is entitled to reasonable notice, opportunity for a hearing, within the constraints of subsections (1) and (2), and judicial review. Each petition for judicial review filed pursuant to this subsection shall be reviewed by the appropriate district court within the same time intervals as in subsections (1) and (2).

Section 9. Rulemaking authority. The commission may adopt any rules necessary to carry out the provisions of [this act].

Section 10. Investigative and hearing powers. (1) The commission may inspect any records, transcripts, drafts, or notes used in preparation of any writing or advertisement referred to in [section 5] by any person or political committee accused of violating [section 5].

(2) The commission may administer oaths, subpoena witnesses and compel their attendance, take evidence, and require the production of materials referred to in subsection (1) that are relevant or material for the purpose of conducting any hearing or investigation.

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