

SENATE BILL NO. 442

Introduced: 02/16/83

Referred to Committee on Natural Resources: 02/16/83  
Hearing: 2/18/83  
Report: 02/19/83, Do Not Pass. Report Adopted.  
Bill Killed.

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*Senate* BILL NO. *442*  
INTRODUCED BY *Kevin Chabon, E. Smith, Bryan*  
*Conover*

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE MEASURING AND RECORDING OF AMOUNTS OF OIL AND GAS PRODUCED FROM WELLS WITHIN THE STATE; PROVIDING A PENALTY AND MAKING THAT PENALTY APPLICABLE TO CORPORATIONS; AMENDING SECTION 45-2-311, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

NEW SECTION. Section 1. Measurement and record required of gas and oil production -- penalty. (1) No producer of gas or oil from a gas or oil well in this state may permit the gas or oil produced to pass beyond his possession or control to the possession or control of another person without first accurately measuring the amount of gas or oil passed and preserving an accurate record of that amount.

(2) For the purpose of this section, the words "gas", "oil", "person", and "producer" have the meanings given them in 82-11-101.

(3) Any person violating the provisions of subsection (1) is guilty of a misdemeanor and upon conviction shall be punished by a fine of not less than \$10,000 or imprisoned for not less than 6 months or by both such fine and

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imprisonment.  
Section 2. Section 45-2-311, MCA, is amended to read:  
"45-2-311. Criminal responsibility of corporations.  
(1) A corporation may be prosecuted for the commission of an offense if, but only if:  
(a) the offense is a misdemeanor and is defined by 45-5-204, 45-6-315, 45-6-317, 45-6-318, 45-6-326, 45-6-327, 45-8-113, 45-8-114, 45-8-212, 45-8-214, or [section 1] or by another statute which clearly indicates a legislative purpose to impose liability on a corporation and an agent of the corporation performs the conduct which is an element of the offense while acting within the scope of his office or employment and in behalf of the corporation, except that any limitation in the defining statute concerning the corporation's accountability for certain agents or under certain circumstances is applicable; or  
(b) the commission of the offense is authorized, requested, commanded, or performed by the board of directors or by a high managerial agent who is acting within the scope of his employment in behalf of the corporation.  
(2) A corporation's proof that the high managerial agent having supervisory responsibility over the conduct which is the subject matter of the offense exercised due diligence to prevent the commission of the offense is a defense to a prosecution for any offense to which subsection

1 (1)(a) refers, other than an offense for which absolute  
2 liability is imposed. This subsection is inapplicable if the  
3 legislative purpose of the statute defining the offense is  
4 inconsistent with the provisions of this subsection.

5 (3) For the purposes of this section:

6 (a) "agent" means any director, officer, servant,  
7 employee, or other person who is authorized to act in behalf  
8 of the corporation;

9 (b) "high managerial agent" means an officer of the  
10 corporation or any other agent who has a position of  
11 comparable authority for the formulation of corporate policy  
12 or the supervision of subordinate employees in a managerial  
13 capacity."

14 NEW SECTION. Section 3. Effective date. This act is  
15 effective on passage and approval.

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