

1 *Simpkins* House BILL NO. *517* *Bauer* *Wills* *Benedict*
 2 INTRODUCED BY *Vick Thomas* *Grude* *Sliter* *Knox* *Beaudry* *Hollan*
 3 *Mood* *Wiseman* *Wm. E. Boharsky* *Jones* *Harrison* *A. Taylor* *Ahner* *DENN*
 4 *Walters* *Hayne* *Walters* *Bergman* *Wagner* *Clark* *Wobb*
 5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A CORPORATION, A LABOR OR PROFESSIONAL
 6 ORGANIZATION, OR AN EMPLOYER WHO WITHHOLDS AND DIVERTS A PORTION OF THE WAGES OR
 7 SALARY OF A SHAREHOLDER, EMPLOYEE, OR MEMBER WHO VOLUNTARILY CONTRIBUTES MONEY FOR
 8 POLITICAL PURPOSES TO INFORM EACH SHAREHOLDER, EMPLOYEE, OR MEMBER THAT
 9 CONTRIBUTIONS MAY BE CONTRIBUTED TO A PARTICULAR POLITICAL PARTY OR POLITICAL
 10 COMMITTEE; REQUIRING A CORPORATION, A LABOR OR PROFESSIONAL ORGANIZATION, OR AN
 11 EMPLOYER TO PROVIDE A FORM FOR EACH SHAREHOLDER, EMPLOYEE, OR MEMBER TO EARMARK
 12 CONTRIBUTIONS; AND AMENDING SECTION 13-35-227, MCA." *Brainard* *Rahbers*
Gostfeld *Neelin* *MARLUM*

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

Section 1. Section 13-35-227, MCA, is amended to read:

"13-35-227. Prohibited contributions from corporations -- notification -- prescribed form for designation of contributions to separate segregated fund. (1) A corporation may not make a contribution or an expenditure in connection with a candidate or a political committee which 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, an employee, or a member of the corporation.

(4) A corporation, a labor or professional organization, or an employer, prior to withholding and diverting a portion of wages or salary for a shareholder, employee, or member who voluntarily chooses to contribute the money pursuant to this section, shall provide the shareholder, employee, or member with a form prescribed by the corporation, the labor or professional organization, or the employer that:

(a) informs each shareholder, employee, and member of the right to earmark political contributions

1 pursuant to rules adopted by the commissioner of political practices; and

2 (b) provides spaces for the shareholder, employee, or member to specify whether the contribution:

3 (i) may be diverted to any political party or political committee chosen by the corporation, the labor
4 or professional organization, or the employer;

5 (ii) must be contributed to a recognized political party or political committee identified by the
6 employee; or

7 (iii) must be contributed to a nonprofit organization.

8 ~~(4)(5)~~ A person who violates this section is subject to the civil penalty provisions of 13-37-128."

9 -END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0517, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

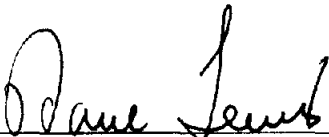
An act requiring a corporation, a labor or professional organization, or an employer who withholds and diverts a portion of the wages or salary of a shareholder, employee, or member who voluntarily contributes money for political purposes to inform each shareholder, employee, or member that contributions may be contributed to a particular political party or political committee; requiring a corporation, a labor or professional organization, or an employer to provide a form for each shareholder, employee, or member to earmark contributions; and amending section 13-35-227, MCA.

ASSUMPTIONS:

1. All requirements in this bill are the responsibility of a corporation, a labor or professional organization or an employer. There is no fiscal impact for the office of the Commissioner of Political Practices.

FISCAL IMPACT:

None.

 2-13-97
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 2/13/97
STEVE VICK, PRIMARY SPONSOR DATE

Fiscal Note for HB0517, as introduced

HB 517

1 HOUSE BILL NO. 517

2 INTRODUCED BY VICK, THOMAS, GRINDE, SLITER, KNOX, BEAUDRY, HOLLAND, R. JOHNSON,
3 ROSE, MCGEE, WELLS, BENEDICT, BAER, SIMPKINS, MOOD, WISEMAN, BOHARSKI, JORE, OHS,
4 M. HANSON, L. TAYLOR, AHNER, TASH, DENNY, MASOLO, BARNETT, BOOKOUT-REINICKE, MILLER,
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8 MAHLUM, MARSHALL, KASTEN

9
10 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A CORPORATION, A LABOR OR PROFESSIONAL
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13 POLITICAL PURPOSES TO INFORM EACH SHAREHOLDER, EMPLOYEE, OR MEMBER THAT
14 CONTRIBUTIONS MAY BE CONTRIBUTED TO A PARTICULAR POLITICAL PARTY OR, POLITICAL
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17 MEMBER TO EARMARK CONTRIBUTIONS; AND AMENDING SECTION 13-35-227, MCA."

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

20
21 **Section 1.** Section 13-35-227, MCA, is amended to read:

22 "**13-35-227. Prohibited contributions from corporations -- notification -- prescribed form for**
23 **designation of contributions to separate segregated fund.** (1) A corporation may not make a contribution
24 or an expenditure in connection with a candidate or a political committee ~~which~~ that supports or opposes
25 a candidate or a political party.

26 (2) A person, candidate, or political committee may not accept or receive a corporate contribution
27 described in subsection (1).

28 (3) This section does not prohibit the establishment or administration of a separate, segregated
29 fund to be used for making political contributions or expenditures if the fund consists only of voluntary
30 contributions solicited from an individual who is a shareholder, an employee, or a member of the

1 corporation.

2 (4) A corporation, a labor or professional organization, or an employer, prior to withholding and
3 diverting a portion of wages or salary for a shareholder, employee, or member who voluntarily chooses to
4 contribute the money pursuant to this section, shall provide the shareholder, employee, or member with
5 a form prescribed by THE COMMISSIONER OF POLITICAL PRACTICES AND PROVIDED BY the corporation,
6 the labor or professional organization, or the employer that:

7 (a) informs each shareholder, employee, and member of the right to earmark political contributions
8 pursuant to rules adopted by the commissioner of political practices; and

9 (b) provides spaces for the shareholder, employee, or member to specify whether the contribution:

10 (i) may be diverted to any political party or political committee OR CANDIDATE chosen by the
11 corporation, the labor or professional organization, or the employer; OR

12 (ii) must be contributed to a recognized political party or political committee OR CANDIDATE
13 identified by the employee; or

14 (iii) must be contributed to a nonprofit organization.

15 (5) WHEN A CONTRIBUTION IS MADE AND ANY PORTION OF THE CONTRIBUTION MAY BE
16 USED FOR POLITICAL PURPOSES, SUBSECTION (4)(B) APPLIES.

17 ~~4)(5)(6)~~ A person who violates this section is subject to the civil penalty provisions of 13-37-128."

18

-END-

HOUSE BILL NO. 517

INTRODUCED BY VICK, THOMAS, GRINDE, SLITER, KNOX, BEAUDRY, HOLLAND, R. JOHNSON,
 ROSE, MCGEE, WELLS, BENEDICT, BAER, SIMPKINS, MOOD, WISEMAN, BOHARSKI, JORE, OHS,
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 ORGANIZATION, OR AN EMPLOYER TO PROVIDE A FORM FOR EACH ~~SHAREHOLDER~~, EMPLOYEE, OR
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 or an expenditure in connection with a candidate or a political committee ~~which 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, an employee, or a member of the

1 corporation.

2 (4) A corporation, a labor or professional organization, or an employer, prior to withholding and
3 diverting a portion of wages or salary for a shareholder, AN employee, or member who voluntarily chooses
4 to contribute the money pursuant to this section, shall provide the shareholder, employee, or member with
5 a form prescribed by THE COMMISSIONER OF POLITICAL PRACTICES AND PROVIDED BY the corporation,
6 the labor or professional organization, or the employer that:

7 (a) informs each shareholder, employee, and member of the right to earmark political contributions
8 pursuant to rules adopted by the commissioner of political practices; and

9 (b) provides spaces for the shareholder, employee, or member to specify whether the contribution:

10 (i) may be diverted to any political party or political committee OR CANDIDATE chosen by the
11 corporation, the labor or professional organization, or the employer; OR

12 (ii) must be contributed to a recognized political party or political committee OR CANDIDATE
13 identified by the employee; or

14 (iii) must be contributed to a nonprofit organization.

15 (5) WHEN A CONTRIBUTION IS MADE AND ANY PORTION OF THE CONTRIBUTION MAY BE
16 USED FOR POLITICAL PURPOSES, SUBSECTION (4)(B) APPLIES.

17 (4)(5)(6) A person who violates this section is subject to the civil penalty provisions of 13-37-128."

18

-END-

HOUSE BILL NO. 517

INTRODUCED BY VICK, THOMAS, GRINDE, SLITER, KNOX, BEAUDRY, HOLLAND, R. JOHNSON, ROSE, MCGEE, WELLS, BENEDICT, BAER, SIMPKINS, MOOD, WISEMAN, BOHARSKI, JORE, OHS, M. HANSON, L. TAYLOR, AHNER, TASH, DENNY, MASOLO, BARNETT, BOOKOUT-REINICKE, MILLER, BOHLINGER, WALTERS, HAYNE, DEBRUYCKER, BERGMAN, BERGSAGEL, DEVANEY, ZOOK, KEENAN, ANDERSON, MERCER, WAGNER, CLARK, COBB, STORY, SOFT, MOHL, EMERSON, BURNETT, KEATING, FELAND, JENKINS, AKLESTAD, SWYSGOOD, GROSFIELD, DEVLIN, BRAINARD, REHBEIN, MAHLUM, MARSHALL, KASTEN

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A CORPORATION, A LABOR OR PROFESSIONAL ORGANIZATION, OR AN EMPLOYER WHO WITHHOLDS AND DIVERTS A PORTION OF THE WAGES OR SALARY OF A SHAREHOLDER, AN EMPLOYEE, OR MEMBER WHO VOLUNTARILY CONTRIBUTES MONEY FOR POLITICAL PURPOSES TO INFORM EACH SHAREHOLDER, EMPLOYEE, OR MEMBER THAT CONTRIBUTIONS MAY BE CONTRIBUTED TO A PARTICULAR POLITICAL PARTY OR, POLITICAL COMMITTEE, OR CANDIDATE; REQUIRING A CORPORATION, A LABOR OR PROFESSIONAL ORGANIZATION, OR AN EMPLOYER TO PROVIDE A FORM FOR EACH SHAREHOLDER, EMPLOYEE, OR MEMBER TO EARMARK CONTRIBUTIONS TO BE USED FOR POLITICAL PURPOSES TO OBTAIN PRIOR AUTHORIZATION FROM THE EMPLOYEE OR MEMBER; AND AMENDING SECTION 13-35-227, MCA."

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

Section 1. Section 13-35-227, MCA, is amended to read:

"13-35-227. Prohibited contributions from corporations -- notification -- prescribed form for designation of contributions to separate segregated fund WITHHOLDING OF FUNDS FROM WAGES OR SALARIES BY CORPORATION, LABOR OR PROFESSIONAL ORGANIZATION, OR EMPLOYER -- DEFINING "FUNDS TO BE USED FOR POLITICAL PURPOSES". (1) A corporation may not make a contribution or an expenditure in connection with a candidate or a political committee which 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).

1 (3) This section does not prohibit the establishment or administration of a separate, segregated
 2 fund to be used for making political contributions or expenditures if the fund consists only of voluntary
 3 contributions solicited from an individual who is a shareholder, an employee, or a member of the
 4 corporation.

5 ~~(4) A corporation, a labor or professional organization, or an employer, prior to withholding and~~
 6 ~~diverting a portion of wages or salary for a shareholder, AN employee, or member who voluntarily chooses~~
 7 ~~to contribute the money pursuant to this section, shall provide the shareholder, employee, or member with~~
 8 ~~a form prescribed by THE COMMISSIONER OF POLITICAL PRACTICES AND PROVIDED BY the corporation,~~
 9 ~~the labor or professional organization, or the employer that:~~

10 ~~(a) informs each shareholder, employee, and member of the right to earmark political contributions~~
 11 ~~pursuant to rules adopted by the commissioner of political practices; and~~

12 ~~(b) provides spaces for the shareholder, employee, or member to specify whether the contribution:~~

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15 ~~(ii) must be contributed to a recognized political party or political committee OR CANDIDATE~~
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17 ~~(iii) must be contributed to a nonprofit organization.~~

18 ~~(5) WHEN A CONTRIBUTION IS MADE AND ANY PORTION OF THE CONTRIBUTION MAY BE~~
 19 ~~USED FOR POLITICAL PURPOSES, SUBSECTION (4)(B) APPLIES MAY NOT WITHHOLD A PORTION OF AN~~
 20 ~~EMPLOYEE'S OR MEMBER'S WAGES OR SALARY AS FUNDS TO BE USED FOR POLITICAL PURPOSES~~
 21 ~~WITHOUT OBTAINING PRIOR AUTHORIZATION FOR THE WITHHOLDING FROM THE EMPLOYEE OR~~
 22 ~~MEMBER.~~

23 ~~(5) AS USED IN THIS SECTION, "FUNDS TO BE USED FOR POLITICAL PURPOSES" MEANS~~
 24 ~~FUNDS USED TO ADVOCATE THE ELECTION OR DEFEAT OF ANY POLITICAL PARTY, POLITICAL~~
 25 ~~COMMITTEE, OR CANDIDATE FOR AN ELECTED OFFICE OTHER THAN A FEDERAL OFFICE. THE TERM~~
 26 ~~DOES NOT INCLUDE THE COST OF ANY COMMUNICATION BY ANY MEMBERSHIP ORGANIZATION OR~~
 27 ~~CORPORATION TO ITS MEMBERS OR STOCKHOLDERS OR EMPLOYEES, AS LONG AS THE~~
 28 ~~ORGANIZATION IS NOT A PRIMARY POLITICAL COMMITTEE.~~

29 ~~(4)(5)(6)~~ A person who violates this section is subject to the civil penalty provisions of 13-37-128."

30 -END-

HOUSE BILL NO. 517

INTRODUCED BY VICK, THOMAS, GRINDE, SLITER, KNOX, BEAUDRY, HOLLAND, R. JOHNSON,
 ROSE, MCGEE, WELLS, BENEDICT, BAER, SIMPKINS, MOOD, WISEMAN, BOHARSKI, JORE, OHS,
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 ORGANIZATION, OR AN EMPLOYER TO PROVIDE A FORM FOR EACH SHAREHOLDER, EMPLOYEE, OR
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Section 1. Section 13-35-227, MCA, is amended to read:

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 expenditure in connection with a candidate or a political committee ~~which~~ that supports or opposes a
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1 (3) This section does not prohibit the establishment or administration of a separate, segregated
2 fund to be used for making political contributions or expenditures if the fund consists only of voluntary
3 contributions solicited from an individual who is a shareholder, an employee, or a member of the
4 corporation.

5 ~~(4) A corporation, a labor or professional organization, or an employer, prior to withholding and~~
6 ~~diverting a portion of wages or salary for a shareholder, AN employee, or member who voluntarily chooses~~
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8 ~~a form prescribed by THE COMMISSIONER OF POLITICAL PRACTICES AND PROVIDED BY the corporation,~~
9 ~~the labor or professional organization, or the employer that:~~

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11 ~~pursuant to rules adopted by the commissioner of political practices; and~~

12 ~~(b) provides spaces for the shareholder, employee, or member to specify whether the contribution:~~

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21 ~~WITHOUT OBTAINING PRIOR AUTHORIZATION FOR THE WITHHOLDING FROM THE EMPLOYEE OR~~
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23 ~~(5) AS USED IN THIS SECTION, "FUNDS TO BE USED FOR POLITICAL PURPOSES" MEANS~~
24 ~~FUNDS USED TO ADVOCATE THE ELECTION OR DEFEAT OF ANY POLITICAL PARTY, POLITICAL~~
25 ~~COMMITTEE, OR CANDIDATE FOR AN ELECTED OFFICE OTHER THAN A FEDERAL OFFICE. THE TERM~~
26 ~~DOES NOT INCLUDE THE COST OF ANY COMMUNICATION BY ANY MEMBERSHIP ORGANIZATION OR~~
27 ~~CORPORATION TO ITS MEMBERS OR STOCKHOLDERS OR EMPLOYEES, AS LONG AS THE~~
28 ~~ORGANIZATION IS NOT A PRIMARY POLITICAL COMMITTEE.~~

29 ~~(4)(5)(6) A person who violates this section is subject to the civil penalty provisions of 13-37-128."~~

30 -END-



FREE CONFERENCE COMMITTEE

on House Bill 517

Report No. 1, April 16, 1997

Page 1 of 2

Mr. Speaker and Mr. President:

We, your Free Conference Committee met and considered **House Bill 517** (reference copy -- salmon) and recommend that **House Bill 517** be amended as follows:

1. Title, line 18.

Following: "MEMBER;"

Insert: "REQUIRING DELINEATION OF WAGES OR SALARY WITHHELD ON AN EMPLOYEE'S OR MEMBER'S REGULAR PAYCHECK; ESTABLISHING A PENALTY AND REQUIRING A REFUND TO AN EMPLOYEE OR MEMBER OF ILLEGALLY WITHHELD WAGES OR SALARY;"

Following: "SECTION"

Strike: "13-35-227"

Insert: "13-37-128"

2. Page 1, line 22 through page 2, line 29.

Strike: section 1 in its entirety

Insert: "NEW SECTION. Section 1. Withholding of wages or salary for political purposes -- authorization required. (1) A corporation, a labor or professional organization, or an employer:

(a) may not withhold a portion of an employee's or member's wages or salary as funds to be used for political purposes without obtaining prior authorization for the withholding and the amount of the withholding from the employee or member; and

(b) shall delineate on the stub of employee's or member's regular paycheck:

(i) the amount withheld from wages or salary collected as membership dues; and

(ii) the amount withheld as funds to be used for political purposes.

(2) A person who violates this section is subject to the civil penalty and refund provisions provided in 13-37-128.

(3) As used in this section, "funds to be used for political purposes" means funds used to advocate the election or defeat of any political party, political committee, ballot issue, or candidate. The term does not include the cost of any

ADOPT

REJECT

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HB 517

communication by any membership organization or corporation to its shareholders, employees, or members as long as the organization or corporation is not a primary political committee.

Section 2. Section 13-37-128, MCA, is amended to read:

"13-37-128. **Cause of action created.** (1) Except as provided in 13-37-306, any person who intentionally or negligently violates any of the reporting provisions of this chapter, ~~shall be~~ is liable in a civil action brought by the commissioner or a county attorney pursuant to the provisions outlined in 13-37-124 and 13-37-125 for an amount up to \$500 or three times the amount of the unlawful contributions or expenditures, whichever is greater.

(2) Any person who makes or receives a contribution or expenditure in violation of 13-35-225, 13-35-227, 13-35-228, [section 1], or this chapter is liable in a civil action brought by the commissioner or a county attorney pursuant to the provisions outlined in 13-37-124 and 13-37-125 for an amount up to \$500 or three times the amount of the unlawful contribution or expenditure, whichever is greater.

(3) A corporation, a labor or professional organization, or an employer who withholds wages or salary in violation of [section 1] shall refund to the employee or member the total amount of wages or salary illegally withheld."

NEW SECTION. Section 3. Codification instruction.

[Section 1] is intended to be codified as an integral part of Title 13, chapter 35, part 2, and the provisions of Title 13, chapter 35, part 2, apply to [section 1]."

And this FREE Conference Committee report be adopted.

For the House:

Paul Sliter
Representative Sliter, Chair

Representative Tuss

Sam Vick
Representative Vick

For the Senate:

Sen. Foster
Senator Foster, Chair

Fred Thomas
Senator Thomas

Senator Shea

HOUSE BILL NO. 517

INTRODUCED BY VICK, THOMAS, GRINDE, SLITER, KNOX, BEAUDRY, HOLLAND, R. JOHNSON,
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9 ~~diverting a portion of wages or salary for a shareholder, AN employee, or member who voluntarily chooses~~
10 ~~to contribute the money pursuant to this section, shall provide the shareholder, employee, or member with~~
11 ~~a form prescribed by THE COMMISSIONER OF POLITICAL PRACTICES AND PROVIDED BY the corporation,~~
12 ~~the labor or professional organization, or the employer that:~~

13 ~~(a) informs each shareholder, employee, and member of the right to earmark political contributions~~
14 ~~pursuant to rules adopted by the commissioner of political practices; and~~

15 ~~(b) provides spaces for the shareholder, employee, or member to specify whether the contribution:~~

16 ~~(i) may be diverted to any political party or political committee OR CANDIDATE chosen by the~~
17 ~~corporation, the labor or professional organization, or the employer; OR~~

18 ~~(ii) must be contributed to a recognized political party or political committee OR CANDIDATE~~
19 ~~identified by the employee; or~~

20 ~~(iii) must be contributed to a nonprofit organization.~~

21 ~~(5) WHEN A CONTRIBUTION IS MADE AND ANY PORTION OF THE CONTRIBUTION MAY BE~~
22 ~~USED FOR POLITICAL PURPOSES, SUBSECTION (4)(B) APPLIES MAY NOT WITHHOLD A PORTION OF AN~~
23 ~~EMPLOYEE'S OR MEMBER'S WAGES OR SALARY AS FUNDS TO BE USED FOR POLITICAL PURPOSES~~
24 ~~WITHOUT OBTAINING PRIOR AUTHORIZATION FOR THE WITHHOLDING FROM THE EMPLOYEE OR~~
25 ~~MEMBER.~~

26 ~~(5) AS USED IN THIS SECTION, "FUNDS TO BE USED FOR POLITICAL PURPOSES" MEANS~~
27 ~~FUNDS USED TO ADVOCATE THE ELECTION OR DEFEAT OF ANY POLITICAL PARTY, POLITICAL~~
28 ~~COMMITTEE, OR CANDIDATE FOR AN ELECTED OFFICE OTHER THAN A FEDERAL OFFICE. THE TERM~~
29 ~~DOES NOT INCLUDE THE COST OF ANY COMMUNICATION BY ANY MEMBERSHIP ORGANIZATION OR~~
30 ~~CORPORATION TO ITS MEMBERS OR STOCKHOLDERS OR EMPLOYEES, AS LONG AS THE~~

1 ORGANIZATION IS NOT A PRIMARY POLITICAL COMMITTEE.

2 ~~(4)(5)(6) A person who violates this section is subject to the civil penalty provisions of 13-37-128."~~

3
4 NEW SECTION. SECTION 1. WITHHOLDING OF WAGES OR SALARY FOR POLITICAL PURPOSES

5 -- AUTHORIZATION REQUIRED. (1) A CORPORATION, A LABOR OR PROFESSIONAL ORGANIZATION, OR
6 AN EMPLOYER:

7 (A) MAY NOT WITHHOLD A PORTION OF AN EMPLOYEE'S OR MEMBER'S WAGES OR SALARY
8 AS FUNDS TO BE USED FOR POLITICAL PURPOSES WITHOUT OBTAINING PRIOR AUTHORIZATION FOR
9 THE WITHHOLDING AND THE AMOUNT OF THE WITHHOLDING FROM THE EMPLOYEE OR MEMBER; AND

10 (B) SHALL DELINEATE ON THE STUB OF EMPLOYEE'S OR MEMBER'S REGULAR PAYCHECK:

11 (I) THE AMOUNT WITHHELD FROM WAGES OR SALARY COLLECTED AS MEMBERSHIP DUES;

12 AND

13 (II) THE AMOUNT WITHHELD AS FUNDS TO BE USED FOR POLITICAL PURPOSES.

14 (2) A PERSON WHO VIOLATES THIS SECTION IS SUBJECT TO THE CIVIL PENALTY AND REFUND
15 PROVISIONS PROVIDED IN 13-37-128.

16 (3) AS USED IN THIS SECTION, "FUNDS TO BE USED FOR POLITICAL PURPOSES" MEANS
17 FUNDS USED TO ADVOCATE THE ELECTION OR DEFEAT OF ANY POLITICAL PARTY, POLITICAL
18 COMMITTEE, BALLOT ISSUE, OR CANDIDATE. THE TERM DOES NOT INCLUDE THE COST OF ANY
19 COMMUNICATION BY ANY MEMBERSHIP ORGANIZATION OR CORPORATION TO ITS SHAREHOLDERS,
20 EMPLOYEES, OR MEMBERS AS LONG AS THE ORGANIZATION OR CORPORATION IS NOT A PRIMARY
21 POLITICAL COMMITTEE.

22
23 SECTION 2. SECTION 13-37-128, MCA, IS AMENDED TO READ:

24 "13-37-128. Cause of action created. (1) Except as provided in 13-37-306, any person who
25 intentionally or negligently violates any of the reporting provisions of this chapter, ~~shall be~~ is liable in a civil
26 action brought by the commissioner or a county attorney pursuant to the provisions outlined in 13-37-124
27 and 13-37-125 for an amount up to \$500 or three times the amount of the unlawful contributions or
28 expenditures, whichever is greater.

29 (2) Any person who makes or receives a contribution or expenditure in violation of 13-35-225,
30 13-35-227, 13-35-228, [section 1], or this chapter is liable in a civil action brought by the commissioner

1 or a county attorney pursuant to the provisions outlined in 13-37-124 and 13-37-125 for an amount up to
2 \$500 or three times the amount of the unlawful contribution or expenditure, whichever is greater.

3 (3) A corporation, a labor or professional organization, or an employer who withholds wages or
4 salary in violation of [section 1] shall refund to the employee or member the total amount of wages or salary
5 illegally withheld."

6
7 NEW SECTION. SECTION 3. CODIFICATION INSTRUCTION. [SECTION 1] IS INTENDED TO BE
8 CODIFIED AS AN INTEGRAL PART OF TITLE 13, CHAPTER 35, PART 2, AND THE PROVISIONS OF TITLE
9 13, CHAPTER 35, PART 2, APPLY TO [SECTION 1].

10 -END-