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## HOUSE BILL NO. 593

INTRODUCED BY S. VICK

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT A CORPORATION, A LABOR OR PROFESSIONAL ORGANIZATION, OR AN EMPLOYER OBTAIN WRITTEN AUTHORIZATION PRIOR TO WITHHOLDING AN EMPLOYEE'S OR MEMBER'S WAGES, SALARY, OR DUES FOR USE IN POLITICAL ACTIVITIES; REQUIRING VERIFICATION OF WITHHOLDING UPON REQUEST OF THE COMMISSIONER OF POLITICAL PRACTICES; AUTHORIZING A CITIZEN'S ACTION FOR VIOLATION; AND AMENDING SECTION 13-37-128, MCA."

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

**NEW SECTION. Section 1. Withholding of wages, salary, or dues for political activity -- prior authorization required -- exemption -- verification.** (1) (a) Prior to withholding or diverting a portion of an employee's or member's wages, salary, or dues for contribution to a political activity, a corporation, a labor or professional organization, or an employer shall annually obtain voluntary written authorization from the employee or member on a form prescribed solely for the purposes of this section by the commissioner of political practices and provided upon request to each employee or member by the corporation, labor or professional organization, or employer.

(b) For the purposes of this section, all wages, salary, or dues must be considered to be contributed for a political activity if any portion of the funds, including in-kind contributions, is contributed to or commingled with funds used for any of the following activities:

(i) independent expenditures for communications that advocate the election or defeat of clearly identified candidates for public office;

(ii) participating in or intervening in any political campaign on behalf of or in opposition to any candidate for political office or any political party or committee, including participating or intervening by the publication or distribution of statements;

(iii) supporting or opposing any pending or proposed ballot measures, including but not limited to efforts to collect signatures to place a measure on the ballot and the use of direct mail or media campaigns to solicit signatures for initiative petitions or to discourage voters from signing initiative petitions;

1 (iv) contributions to or the expenses or operations of a political action committee; or  
2 (v) contributions to a segregated fund to be used for any activity identified in subsections (1)(b)(i)  
3 through (1)(b)(iv).

4 (c) As used in this section, the term "political activity" does not include charitable contributions,  
5 commercial transactions, or communications disseminated by a corporation, organization, or employer to  
6 its employees, members, or shareholders.

7 (2) The form prescribed by the commissioner of political practices, which may be made available  
8 to a corporation, a labor or professional organization, or an employer, must include the total amount  
9 withheld from wages, salary, or dues and a statement above the signature line informing the employee or  
10 member:

11 (a) of the authorization required in subsection (1);

12 (b) that contributions may not be obtained for a political activity subject to the provisions of this  
13 section by coercion, physical force, requiring a contribution as a requirement of employment or  
14 membership, or using or threatening to use job discrimination or financial reprisals;

15 (c) that the employee or member is entitled a copy of the authorization form if and when it is  
16 signed; and

17 (d) that the authorization is only valid for 12 months from the date that the employee or member  
18 signs the form and that the authorization may be revoked by the member or employee upon 30 days'  
19 notice.

20 (3) Individuals who do not authorize contributions for political activity may not have their dues,  
21 agency shop fees, or other union fees raised in lieu of the declined contribution.

22 (4) Upon request by the commissioner of political practices, the corporation, labor or professional  
23 organization, or employer shall provide verification that the employee or member has authorized the  
24 withholding of wages or salary.

25 (5) The department of labor and industry shall prepare and require the posting of employee notices  
26 setting forth the provisions of this section in all state workplaces where similar notices are currently  
27 required to be posted by state law or rules adopted pursuant to state law.

28

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

30 **"13-37-128. Cause of action created.** (1) A person who intentionally or negligently violates any

1 of the reporting provisions of this chapter is liable in a civil action brought by the commissioner or a county  
2 attorney pursuant to the provisions outlined in 13-37-124 and 13-37-125 for an amount up to \$500 or  
3 three times the amount of the unlawful contributions or expenditures, whichever is greater.

4 (2) A person who makes or receives a contribution or expenditure in violation of 13-35-225,  
5 13-35-227, 13-35-228, or this chapter or a person who ultimately authorizes contributions or expenditures  
6 in violation of [section 1] is liable in a civil action brought by the commissioner or a county attorney  
7 pursuant to the provisions outlined in 13-37-124 and 13-37-125 for an amount up to \$500 or three times  
8 the amount of the unlawful contribution or expenditure, whichever is greater.

9 (3) If the commissioner or a county attorney is notified of an alleged violation under [section 1]  
10 but fails to commence an action within 45 days after notification, the commissioner or county attorney  
11 shall notify in writing the person reporting the alleged violation of the decision to not take action. Within  
12 10 days after receiving written notification that neither the commissioner nor the county attorney will  
13 commence an action, the person reporting the alleged violation may, within 10 days of notification, initiate  
14 a citizen's action. If the citizen's action prevails, the judgment escheats to the state but the person must  
15 be reimbursed by the state for court costs and attorney fees. If a citizen's action is dismissed and the court  
16 determines that the action was brought without reasonable cause, the court may order the person  
17 commencing the action to pay court costs and reasonable attorney fees incurred by the defendant."

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19 NEW SECTION. Section 3. Codification instruction. [Section 1] is intended to be codified as an  
20 integral part of Title 13, chapter 35, part 2, and the provisions of Title 13, chapter 35, part 2, apply to  
21 [section 1].

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23 NEW SECTION. Section 4. Severability. If a part of [this act] is invalid, all valid parts that are  
24 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its  
25 applications, the part remains in effect in all valid applications that are severable from the invalid  
26 applications.

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