Ryan Morrison*
LIBERTY JUSTICE CENTER
1629 K St., NW, Ste. 300
Washington, DC 20006
T: 512-481-4400
rmorrison@ljc.org

Gage Zobell (#13925)
Jensen Lillquist (#3252)
DORSEY & WHITNEY LLP
Millennium Building
125 Bank Street, Suite 600
Missoula, MT 59802
T: (406) 721-6025
zobell.gage@dorsey.com
lillquist.jensen@dorsey.com

Attorneys for Plaintiffs
* *Pro Hac Vice* Forthcoming

UNITED STATES DISTRICT COURT
DISTRICT OF MONTANA
HELENA DIVISION

YOUNG AMERICANS FOR LIBERTY, INC., et al., *Plaintiffs*, v. AUSTIN KNUDSEN, *in his official capacity as Montana Attorney General*, et al., *Defendants*.	Case No. 6:26-cv-00081-BMM Judge Brian Morris **Plaintiffs' Memorandum in Support of their Motion for Preliminary Injunction**

Table of Contents

Introduction 1

Factual Background 3

I. Initiative No. 194 3

II. The Plaintiffs 9

A. Young Americans for Liberty, Inc. 9

B. Make Liberty Win 10

C. Montana Mining Association 10

D. PAC Management Services LLC 11

Legal Standard 12

Argument 13

I. Plaintiffs are likely to prevail on the merits because I-194 violates the First Amendment. 13

A. I-194 violates Plaintiffs' free speech rights. 14

B. I-194 violates plaintiffs' freedom of association rights. 22

C. I-194 is unconstitutionally overbroad. 25

II. Plaintiffs will suffer irreparable harm without equitable relief. 29

III. The balance of equities and the public interest favor equitable relief. 30

IV. The Court should waive Rule 65(c)'s security requirement. 30

Conclusion 31

Certificate of Compliance 32

Table of Authorities

Cases

Agency for Int'l Dev. v. All. for Open Soc'y Int'l, Inc.,
570 U.S. 205 (2013) 2, 19

Agostini v. Felton,
521 U.S. 203 (1997) 16

Am. Tradition P'ship, Inc. v. Bullock,
567 U.S. 516 (2012) 2, 16, 20

Americans for Prosperity Foundation v. Bonta,
594 U.S. 595 (2021) 26, 27, 28

Ariz. Free Enter. Club's Freedom Club PAC v. Bennett,
564 U.S. 721 (2011) 21, 28

Baird v. Bonta,
81 F.4th 1036 (9th Cir. 2023) 13, 35

Buckley v. Valeo,
424 U.S. 1 (1976) 21, 25, 27, 30

C & C Plywood Corp. v. Hanson,
583 F.2d 421 (9th Cir. 1978) 1, 20

Chiles v. Salazar,
607 U.S. 627 (2026) 17, 22, 23

Citizens United v. Fed. Election Comm'n,
558 U.S. 310 (2010) 1, 15, 24, 26

First Nat'l Bank v. Bellotti, 435 U.S. 765, (1978) ..... *Passim*

Johnson v. Couturier,
572 F.3d 1067 (9th Cir. 2009) 36

Klein v. City of San Clemente,
584 F.3d 1196 (9th Cir. 2009) 34, 35

Monsanto Co. v. Durnell,
146 S. Ct. 2001 (2026) 22

Mont. Chamber of Com. v. Argenbright,
226 F.3d 1049 (9th Cir. 2000) 1, 20

Reed v. Town of Gilbert,
576 U.S. 155 (2015) 17

Rosenberger v. Rector and Visitors of Univ. of Va.,
515 U.S. 819 (1995) 23

United States v. Hansen,
599 U.S. 762 (2023) 30, 31, 34

Constitutional Provisions

U.S. Const. art. VI, cl. 2. 22

Statutes

I-194 § 2 ..... *Passim*

I-194 § 3 ..... 6, 14

I-194 § 4 ..... 6, 21, 31

I-194 § 5(4) 7, 23

I-194 § 6 8

I-194 § 7 9

I-194 § 8 ..... 9, 10

I-194 § 13 10

I-194 § 14 10

Exhibit Index

Exhibit No.	Description
1	Ballot Initiative No. 194 ("I-194")
2	Declaration of Steve Mairella of Young Americans for Liberty, dated Nov. 16, 2026
3	Declaration of Barrett Young of Make Liberty Win, dated Nov. 16, 2026
4	Declaration of Matt Vincent of the Montana Mining Association, dated Nov. 16, 2026
5	Declaration of Daniel Backer of PAC Management Services LLC, dated Nov. 16, 2026

Introduction

Montana has tried this before. In 1978, the Ninth Circuit held that Montana's prohibition on corporate spending on ballot issues violated the First Amendment. *C & C Plywood Corp. v. Hanson*, 583 F.2d 421 (9th Cir. 1978). In 2000, it struck down Initiative 125, which again barred corporations from spending on ballot issues, in a case in which Plaintiff Montana Mining Association was a party. *Mont. Chamber of Com. v. Argenbright*, 226 F.3d 1049 (9th Cir. 2000). And in 2012, the Supreme Court summarily reversed the Montana Supreme Court's decision upholding the State's ban on corporate independent expenditures, holding that *Citizens United v. Fed. Election Comm'n*, 558 U.S. 310 (2010), governs Montana law: "There can be no serious doubt that it does." *Am. Tradition P'ship, Inc. v. Bullock*, 567 U.S. 516, 516 (2012) (per curiam).

Rather than ban corporate political speech in terms, Initiative No. 194—Montana's most recent attempt—declares that "political spending power is not among the powers extended to artificial persons," I-194 § 2(6)(b); voids any such spending, § 6; and strips any entity that engages in it of limited liability and every other "charter privilege," § 7.

The label is new; the result is not. The Supreme Court rejected the premise "that corporations, as creatures of the State, have only those rights granted them by the State" nearly fifty years ago. *First Nat'l Bank of Bos. v. Bellotti*, 435 U.S. 765, 778 n.14 (1978). And the government may not condition a benefit on the surrender of First Amendment rights. *Agency for Int'l Dev. v. All. for Open Soc'y Int'l, Inc.*, 570 U.S. 205, 214 (2013).

Plaintiffs—a national liberty-advocacy organization, the political committee it funds, a Montana trade association, and a firm that provides compliance and contribution-processing services to political committees—will each be barred from, or deprived of the means for, political speech and association in Montana when I-194 takes effect on January 1, 2027. I-194 § 14. Because Plaintiffs are likely to succeed on their First Amendment claims, and because the loss of those freedoms is irreparable, the Court should preliminarily enjoin Defendants from enforcing I-194 pending final judgment.

Factual Background

I. Initiative No. 194

Initiative No. 194 ("I-194"), attached as Ex. 1, was a ballot initiative on the Montana ballot during the 2026 general election that was approved by the state's electorate and, consequently, amended Montana Code.

The stated purposes of the new law are to:

> (a) establish that state-conferred legal status and charter privileges are granted to an artificial person only on the condition that the artificial person operate within the powers extended by the state;
>
> (b) make explicit that political spending power is not among the powers extended to artificial persons, except as expressly provided by law for political committees;
>
> (c) establish a single, uniform definition of the powers extended to artificial persons under [sections 1 through 10];
>
> (d) provide clear and enforceable consequences for the exercise of political spending power not extended by the state; and
>
> (e) leave wholly undisturbed the constitutional rights of natural persons.

I-194 § 2(6) (brackets in original).

The definition section states:

> As used in [sections 1 through 10], and solely for the purposes of defining the scope of artificial-person powers and

the consequences that attach to acts outside that scope, the following definitions apply:

(1) "Artificial person" means an entity whose existence, legal status, or limited liability shield is conferred by the laws of the state of Montana, including an entity organized or existing under the laws of another jurisdiction that is authorized to transact business, is otherwise transacting business, or holds property in Montana. An entity organized or existing under the laws of another jurisdiction that directly or indirectly undertakes, finances, or directs the exercise of political spending power in the state of Montana is conclusively considered to be transacting business in this state for the purposes of [sections 1 through 10].

(2) "Artificial-person powers" means powers necessary or convenient to carry out lawful business, charitable, cooperative, or organizational purposes as provided by Montana law, excluding political spending power. Political spending power may not be deemed necessary or convenient under any circumstances.

(3) "Charter privilege" means any legal benefit that exists only because the state of Montana confers it on an artificial person, including limited liability, perpetual duration, succession in entity name, or any statutory limitation on personal liability.

(4) (a) "Political spending power" means the legal capacity to pay, contribute, or expend money or anything of value to support or oppose:

(i) a candidate, political party, or political committee in an election held in this state; or

(ii) any initiative, referendum, recall, constitutional amendment, charter amendment, or other question

> formally certified or submitted to the electors of this state or any political subdivision of the state.
>
> (b) The term does not include the distribution of bona fide news, commentary, or editorial content unless the publishing entity is owned or controlled by a political party, a political committee, or a candidate.
>
> (c) Political spending power may be exercised by political committees, as provided by law.

I-194 § 3 (brackets in original).

The new law for an "artificial person," as defined by I-194, is:

> (1) Except as expressly provided by law for political committees, the state of Montana does not extend political spending power to an artificial person, and an artificial person subject to [sections 1 through 10] does not possess any legal capacity to expend money or anything of value to support or oppose the outcome of a vote of the electorate.
>
> (2) The absence of political spending power under [sections 1 through 10] is a condition of state-conferred legal status and charter privileges. An artificial person that exercises political spending power not extended by the state acts outside the powers granted as a condition of that status.

I-194 § 4 (brackets in original).

I-194's applicability section states:

> (1) [Sections 1 through 10] apply to all artificial persons formed, organized, or existing under the laws of the state of Montana.
>
> (2) [Sections 1 through 10] apply to an artificial person organized or existing under the laws of another jurisdiction

> that is authorized to transact business, is otherwise transacting business, or holds property in the state.
>
> (3) [Sections 1 through 10] apply to any trust, statutory trust, business trust, or similar arrangement to the extent Montana law confers limited liability, perpetual duration, succession in name, or any other charter privilege by reason of that form.
>
> (4) [Sections 1 through 10] do not apply to:
>
> > (a) natural persons acting solely in an individual capacity;
> >
> > (b) the state of Montana or any agency, authority, or political subdivision of the State; or
> >
> > (c) a public body corporate and politic expressly identified as corporate and politic by statute.
>
> (5) [Sections 1 through 10] do not restrict the lawful activities of political committees organized under Montana law or federal law.

I-194 § 5 (brackets in original).

I-194 states that any act of political spending by an artificial person is invalid. Specifically:

> (1) An act by an artificial person that constitutes an exercise of political spending power not extended by the state under [sections 1 through 10] is beyond the scope of authority and void.
>
> (2) An act described in subsection (1):
>
> > (a) is void from the beginning;

(b) may not be ratified, validated, or given effect by consent, waiver, estoppel, reliance, course of dealing, or any other equitable doctrine; and

(c) creates no enforceable rights, obligations, or defenses.

(3) The character of an act that is beyond the scope of authority under this section arises solely from the absence of political spending power as a condition of state-conferred legal status and charter privileges.

I-194 § 6 (brackets in original).

I-194 imposes penalties on offending artificial persons.

(1) An artificial person that exercises political spending power not extended by the state under [sections 1 through 10] forfeits all charter privileges as a matter of law.

(2) Charter privileges forfeited under subsection (1) include, without limitation:

(a) limited liability;

(b) perpetual duration;

(c) succession in entity name; and

(d) any statutory limitation on personal liability conferred by Montana law.

(3) Forfeiture under this section applies only to charter privileges conferred by Montana law. [Sections 1 through 10] do not purport to affect privileges conferred by the laws of another jurisdiction.

> (4) An artificial person whose charter privileges are forfeited under this section may be reinstated only pursuant to procedures enacted or administered by the state and only upon:
>
> > (a) full disgorgement of all money or things of value expended, contributed, or transferred in the exercise of political spending power;
> >
> > (b) certification of future compliance with [sections 1 through 10]; and
> >
> > (c) satisfaction of any additional conditions the legislature or a designated state authority considers appropriate.
>
> (5) Disgorgement under subsection (4)(a) is required regardless of whether the political spending supported or opposed a position that prevailed or failed in the outcome of a vote of the electorate.

I-194 § 7 (brackets in original).

The defendant Secretary of State is instructed to "adopt rules and procedures necessary to implement and enforce [sections 1 through 10], including procedures governing forfeiture, reinstatement, disgorgement, certification of compliance, notice, and the opportunity to be heard consistent with due process." I-194 § 8(1) (brackets in original).

The defendant Attorney General has the responsibility of enforcing I-194. Specifically: "The attorney general has the authority and responsibility to bring actions to enforce [sections 1 through 10],

including actions seeking declaratory relief, injunctive relief, disgorgement, and confirmation or enforcement of forfeiture." I-194 § 8(2) (brackets in original).

I-194 codifies these new laws as a new chapter in Title 35 of Montana Code Annotated and "the provisions of Title 35 apply to [sections 1 through 10]." I-194 § 13 (brackets in original).

The effective date of these new laws is January 1, 2027. I-194 § 14.

II. The Plaintiffs

A. Young Americans for Liberty, Inc.

Young Americans for Liberty, Inc. ("YAL") is an "artificial person" as defined in I-194 that exists in order to advance liberty across the United States, including in Montana. Mairella Decl. at ¶¶ 2–3 (Ex. 2). YAL pursues said goal by, among other methods, associating with and donating to Plaintiff Make Liberty Win. *Id*. at ¶¶ 5, 6. YAL intends to continue said associations and donations going forward, which will indirectly finance the exercise of political spending power in the state of Montana. *Id*. at ¶¶ 11, 14. If I-194 is upheld, YAL will be forced to cease associating with Plaintiff Make Liberty Win with respect to operations in Montana. *Id*. at ¶ 15.

B. Make Liberty Win

Make Liberty Win ("MLW") is a philosophically conservative political action committee dedicated to promoting and advancing the principles of liberty and freedom. Young Decl. at ¶ 2 (Ex. 3). MLW engages in canvassing, voter connection, and value promotion in forty states, including Montana. *Id.* at ¶ 3. Those activities lead to the success of candidates aligned with its values in elections. *Id.* MLW intends to continue in said activities, and continue to expend money or things of value, in upcoming Montana election cycles. *Id.* at ¶¶ 14, 15. Over 90% of MLW's contributions come from Plaintiff YAL. *Id.* at ¶6. If I-194 is upheld, MLW will no longer be able to associate with Plaintiff YAL for the purpose of expending money or things of value in Montana election cycles, or alternatively will be forced to cease operations in Montana, to avoid opening Plaintiff YAL to legal sanctions. *Id.* at ¶¶ 17, 18.

C. Montana Mining Association

The Montana Mining Association ("MMA") is a Montana trade association dedicated to assisting members to succeed in the mining field in Montana's complex business and regulatory environment, and generally to promoting and protecting the mining industry in Montana. Vincent Decl. at ¶ 2 (Ex. 4). As a Montana trade association, it is an

"artificial person" as defined in I-194. *Id.* at ¶ 2. MMA pursues its goals by, among other methods, spending funds raised by annual dues from members in order to expend money or things of value to support or oppose votes in Montana election cycles. *Id.* at ¶¶ 4, 7. Plaintiff MMA intends to continue to do so in future Montana election cycles. *Id.* at ¶ 14. If I-194 is upheld, MMA will be unable to continue to spend its members' dues in support of or opposition to candidates and measures in Montana elections. Ex. 4 at ¶ 15. MMA will need to either secure alternate funding sources or cease political activities entirely. *Id.*

D. PAC Management Services LLC

PAC Management Services LLC ("PAC MS") provides services to state and federal political action committees, candidate committees, party committees, and other organizations engaged in political and other advocacy work. Backer Decl. Ex. 5 at ¶ 3 (Ex. 5). As a limited liability company, it is an "artificial person" as defined in I-194. *Id.* at ¶ 2. PAC MS also does business as VIP Gatekeeper. *Id.* PAC MS connects donors and processes donations to candidates and political action committees during Montana election cycles. *Id.* at ¶¶ 5–9. PAC MS intends to continue doing so in future election cycles. *Id.* at ¶ 10. If

I-194 is upheld, PAC MS will be required to cease its operations in Montana to avoid legal sanctions. *Id*. at ¶ 14.

Legal Standard

A motion for preliminary injunction should be granted if the moving party: (1) is likely to succeed on the merits of his claim, (2) is likely to suffer irreparable harm in the absence of preliminary relief, (3) the balance of equities tips in his favor, and (4) an injunction is in the public interest. *See Baird v. Bonta,* 81 F.4th 1036, 1040 (9th Cir. 2023). "The first factor is a threshold inquiry and is the most important factor." *Id*. (internal quotation marks omitted). "When, like here, the nonmovant is the government, the last two [preliminary injunction] factors merge." *Id*. (internal quotation marks and citation omitted). And a plaintiff is entitled to a preliminary injunction if it demonstrates "serious questions going to the merits" in conjunction with "hardships that tip[] sharply" in the plaintiff's favor. *Flathead-Lolo-Bitterroot Citizen Task Force v. Montana*, 98 F.4th 1180, 1190 (9th Cir. 2024).

Argument

I. Plaintiffs are likely to prevail on the merits because I-194 violates the First Amendment.

I-194 is unconstitutional because it infringes Plaintiffs' First Amendment rights. Plaintiffs MLW and MMA want to be directly involved in the outcome of a vote of the Montana electorate and expend money or something of value to support these efforts. Ex. 3 at ¶ 14; Ex. 4 at ¶ 13. However, because they are "Artificial Persons" under I-194, the law forbids them from engaging in political speech.

I-194 eliminates the political speech rights of an "Artificial Person." An "Artificial Person," as defined by I-194 § 3(1), is a corporation, e.g., the plaintiffs.

But "[i]t has been settled for [well over] a century that corporations are persons within the meaning of the Fourteenth Amendment," *First Nat'l Bank v. Bellotti*, 435 U.S. 765, 780 n.15 (1978) (citing *Santa Clara Cnty. v. S. Pac. R. Co.,* 118 U.S. 394 (1886), *Covington & Lexington Turnpike R. Co. v. Sandford*, 164 U.S. 578 (1896)). Accordingly, corporations, i.e., the plaintiffs, have First Amendment rights. *See Citizens United*, 558 U.S. at 342 ("First Amendment protection extends to corporations.").

A. I-194 violates Plaintiffs' free speech rights.

Corporations' First Amendment rights have "been extended by explicit holdings to the context of political speech." *Id.* Consequently, "political speech does not lose First Amendment protection simply because its source is a corporation." *Id.* (internal quotation marks omitted).

"Corporations and other associations, like individuals, contribute to the discussion, debate, and the dissemination of information and ideas that the First Amendment seeks to foster." *Id.* at 343 (internal quotation marks omitted). The Supreme Court "has thus rejected the argument that political speech of corporations or other associations should be treated differently under the First Amendment simply because such associations are not 'natural persons.'" *Id.*

At bottom, I-194 is an attempt by its supporters to overturn *Citizens United* through the ballot box. But only the Supreme Court has "the prerogative of overruling its own decisions." *Agostini v. Felton*, 521 U.S. 203, 237 (1997) (internal quotation marks omitted). Thus, "[t]he question presented in this case is whether the holding of *Citizens United* applies to the [new] Montana state law. There can be no serious

doubt that it does." *Am. Tradition P'ship*, 567 U.S. at 516. "[A]rguments in support of [I-194] either were already rejected in *Citizens United*, or [will] fail to meaningfully distinguish that case." *Id.* at 516–17. On that basis alone, I-194 should be struck down as a violation of the First Amendment.

1. I-194 is an unconstitutional content restriction on speech.

Furthermore, the Supreme Court "has long held that laws regulating speech based on its subject matter or 'communicative content' are 'presumptively unconstitutional.'" *Chiles v. Salazar*, 607 U.S. 627, 640 (2026) (quoting *Reed v. Town of Gilbert,* 576 U.S. 155, 163 (2015)). "Government regulation of speech is content based if a law applies to particular speech because of the topic discussed or the idea or message expressed." *Reed,* 576 U.S. at 163. "As a general rule, such 'content-based' restrictions trigger 'strict scrutiny,' a demanding standard that requires the government to prove its restriction on speech is 'narrowly tailored to serve compelling state interests.'" *Chiles*, 607 U.S. at 640 (quoting *Reed*, 576 U.S. at 163). Under that test, it is rare that a regulation . . . will ever be permissible." *Id.* (internal quotation marks omitted) (ellipsis in original).

I-194 is content based on its face. It applies only to spending "to support or oppose" candidates, parties, committees, and ballot questions, I-194 § 3(4)(a), and it exempts "bona fide news, commentary, or editorial content," § 3(4)(b). It must therefore satisfy strict scrutiny. It cannot, because the State has no compelling interest that the law is narrowly tailored to serve.

In sum, sections 2(1), (2), (5), and (6)(a), I-194's findings and purpose section, assert "that corporations, as creatures of the State, have only those rights granted them by the State." *Bellotti*, 435 U.S. at 778 n.14.

This is "such an extreme position [that it] [can]not be reconciled [ ] with the many [Supreme Court] decisions holding state laws invalid under the Fourteenth Amendment when they infringe protected speech by corporate bodies or with decisions affording corporations the protection of constitutional guarantees other than the First Amendment." *Id*. (citations omitted). *See also id*. (collecting cases).

Nor can Montana evade the First Amendment by recasting its ban as a limit on the "powers" it confers through corporate charters. *See* I-194 § 2(6)(a)–(b). *Bellotti* rejected that premise, 435 U.S. at 778 n.14, and the government "may not deny a benefit to a person on a basis that

infringes his constitutionally protected . . . freedom of speech even if he has no entitlement to that benefit." *Agency for Int'l Dev.*, 570 U.S. at 214 (citation and internal quotation marks omitted). I-194 does exactly that. It conditions limited liability, perpetual duration, and every other "charter privilege" on the surrender of all political spending, and it imposes forfeiture of those privileges as the penalty for speaking. I-194 §§ 4(2), 7(1)–(2). How Montana decided to label its speech suppression changes nothing; I-194 suppresses political speech and violates the First Amendment.

The Ninth Circuit and the Supreme Court have already applied these principles to Montana's prior efforts to silence corporate speakers. In *C & C Plywood Corp. v. Hanson*, the Ninth Circuit held that Montana's prohibition on corporate "payments or contributions . . . in support of or opposition to ballot issues is an unconstitutional restriction of corporate First Amendment rights." 583 F.2d at 425. In *Montana Chamber of Commerce v. Argenbright*—a case in which Plaintiff MMA was a party—the court held that "the constitutionality of I-125," Montana's later ban on corporate ballot-issue spending, "is controlled by *First National Bank of Boston v. Bellotti*," and that I-125

"unconstitutionally restricts public discussion in the ballot issue (initiative) process." 226 F.3d at 1052, 1057. And in *American Tradition Partnership*, the Supreme Court summarily reversed the Montana Supreme Court's decision upholding the State's ban on corporate independent expenditures, explaining that "Montana's arguments in support of the judgment below either were already rejected in *Citizens United*, or fail to meaningfully distinguish that case." 567 U.S. at 516–17. I-194 reaches all the speech protected in those cases, and more.

Furthermore, the "First Amendment has its fullest and most urgent application to speech uttered during a campaign for political office." *Ariz. Free Enter. Club's Freedom Club PAC v. Bennett*, 564 U.S. 721, 734 (2011) (internal quotation marks omitted). "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached." *Buckley v. Valeo*, 424 U.S. 1, 19 (1976) (*per curiam*). Accordingly, "the First Amendment cannot tolerate" laws that place "ceilings on overall campaign expenditures" because they limit "the ability of candidates,

citizens, and associations to engage in protected political expression." *Id.* at 58–59.

The ceiling that I-194 places on plaintiffs' campaign expenditures "to support or oppose the outcome of a vote of the electorate," § 4(1), is $0. The state's interest for the spending ban is to "make explicit that political spending power is not among the powers extended to artificial persons," § 2(6)(b), because allowing plaintiffs to have the First Amendment right to political speech "does not reflect the will of the people." § 2(4). But just because Montana voters do not want plaintiffs to have political speech rights does not take them away.

"In this Nation, no official—'high or petty'—may command our tongues or silence our voices." *Chiles*, 607 U.S. at 640 (quoting *W. Va. State Bd. of Educ. v. Barnette,* 319 U.S. 624, 642 (1943)). The United States "Constitution . . . [is] the supreme Law of the Land." U.S. Const. art. VI, cl. 2. "The Constitution. . . thus preempt[s] any conflicting state law." *Monsanto Co. v. Durnell*, 146 S. Ct. 2001, 2018 (2026). The Constitution thus prevents I-194 from usurping plaintiffs First Amendment rights. Therefore, the law is an unconstitutional content restriction on plaintiffs' political speech.

2. I-194 discriminates against Plaintiffs based on viewpoint.

There are "even greater dangers associated with regulations that discriminate based on the speaker's point of view." *Chiles*, 607 U.S. at 641. When a law "seeks not just to restrict speech based on its subject matter, but also seeks to dictate what particular 'opinion or perspective' individuals may express on that subject, 'the violation of the First Amendment is all the more blatant.'" *Id.* (quoting *Rosenberger v. Rector & Visitors of Univ. of Va.*, 515 U. S. 819, 829 (1995)). "Viewpoint discrimination is [ ] an egregious form of content discrimination. The government must abstain from regulating speech when the specific motivating ideology or the opinion or perspective of the speaker is the rationale for the restriction." *Rosenberger*, 515 U.S. at 829.

I-194 applies only to "artificial persons." The law explicitly exempts individuals, all levels of Montana government, a public body corporate and politic, and political committees. I-194 §§ 5(4) and (5). And because the statutes I-194 creates "are intended to be codified as a new chapter in Title 35" of Montana Code Annotated to regulate corporations, the law does not apply to collective bargaining organizations formed under Title 39 of Montana Code Annotated. Indeed, the views of every

individual and every conceivable entity can be expressed except for the views of artificial persons. "By suppressing the speech of manifold corporations, both for-profit and nonprofit, [I-194] prevents their voices and viewpoints from reaching the public." *Citizens United*, 558 U.S. at 354.

Clearly, I-194 was designed "to target [artificial persons, i.e. the plaintiffs] and their messages for disfavored treatment. In its practical operation, [Montana's] law goes even beyond mere content discrimination, to actual viewpoint discrimination." *Sorrell v. IMS Health Inc.*, 564 U.S. 552, 565 (2011) (internal quotation marks omitted). "Given the [law's] expressed statement of purpose, it is apparent that [I-194] imposes burdens that are based on the content of speech and that are aimed at a particular viewpoint." *Id.*

"[T]he concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed to secure the widest possible dissemination of information from diverse and antagonistic sources, and to assure unfettered interchange of ideas for

the bringing about of political and social changes desired by the people." *Buckley*, 424 U.S. at 48–49 (internal quotation marks omitted).

"To be sure, corporate [speech] may influence the outcome of [an election]; this would be its purpose. But the fact that advocacy may persuade the electorate is hardly a reason to suppress it: The Constitution protects expression which is eloquent no less than that which is unconvincing." *Bellotti*, 435 U.S. at 790 (internal quotation marks omitted).

Plaintiffs' points of view cannot be silenced to the benefit of all others. "[T]he Government cannot restrict political speech based on the speaker's corporate identity." *Citizens United*, 558 U.S. at 346. Therefore, I-194 is unconstitutional.

B. I-194 violates plaintiffs' freedom of association rights.

"The First Amendment prohibits government from 'abridging . . . the right of the people peaceably to assemble . . . .'" *Ams. for Prosperity Found. v. Bonta*, 594 U.S. 595, 605 (2021) ("*AFPF*"). "[The Supreme] Court has long understood as implicit in the right to engage in activities protected by the First Amendment a corresponding right to associate with others." *Id.* at 606 (internal quotation marks omitted). Freedom of

association "furthers a wide variety of political, social, economic, educational, religious, and cultural ends, and is especially important in preserving political and cultural diversity and in shielding dissident expression from suppression by the majority." *Id.* (internal quotation marks omitted).

"The First Amendment protects political association as well as political expression." *Buckley*, 424 U.S. at 15. "The constitutional right of association explicated in *NAACP v. Alabama*, 357 U.S. 449, 460 (1958), stemmed from the Court's recognition that '[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association.'" *Id.* Indeed, "the First and Fourteenth Amendments guarantee freedom to associate with others for the common advancement of political beliefs and ideas . . . ." *Id.* (internal quotation marks omitted).

"Government infringement of this freedom can take a number of forms." *AFPF*, 594 U.S. at 606 (quotation marks omitted). Accordingly, "[w]hen it comes to the freedom of association, the protections of the First Amendment are triggered not only by actual restrictions on an individual's ability to join with others to further shared goals. The risk

of a chilling effect on association is enough, because First Amendment freedoms need breathing space to survive." *Id.* at 618–19 (internal punctuation marks omitted).

"Exacting scrutiny is triggered by 'state action which *may* have the effect of curtailing the freedom to associate . . . .'" *Id.* at 616 (quoting *NAACP,* 357 U.S. at 460–61).

"[E]xacting scrutiny requires that there be a substantial relation between [I-194] and a sufficiently important governmental interest, and that [I-194] be narrowly tailored to the interest it promotes." *Id.* at 611 (internal quotations omitted).

Here, I-194 prevents YAL and MLW from associating with one another and forbids PAC MS from serving clients influencing Montana elections. YAL wants to financially contribute to MLW and MLW wants to accept financial contributions from YAL to use to support or oppose the outcome of a vote of the Montana electorate. Ex. 2 at ¶ 11; Ex. 3 at ¶ 16. But I-194 prevents their freedom of association because YAL is an artificial person.

Likewise, PAC MS wants to facilitate contributions from anyone—i.e. associate with anyone—who wants to donate to a Montana candidate,

or any other Montana political committee. But doing so will violate I-194. Ex. 5 at ¶¶ 10–12. Because PAC MS will expend money or something of value to support or oppose the outcome of a vote of the Montana electorate by just operating in the ordinary course of its business model, it runs afoul of I-194.

As explained above, *see supra* § IA(1), the state's interests are that it can take away corporations' rights because they "have only those rights granted them by the State," *Bellotti*, 435 U.S. at 778 n.14, and it can limit corporations' political spending because allowing plaintiffs to have the First Amendment right to political speech "does not reflect the will of the people." I-194 § 2(4). No court has ever ruled that these are important governmental interests. Instead, the Supreme Court has condemned these purported interests. *See Bellotti*, 435 U.S. at 778 n.14; *Buckley*, 424 U.S. at 58-59. And without an important governmental interest, Montana cannot pass exacting scrutiny. Therefore, I-194 is unconstitutional.

C. I-194 is unconstitutionally overbroad.

In a First Amendment challenge, "the overbreadth doctrine instructs a court to hold a statute facially unconstitutional even though it has

lawful applications, and even at the behest of someone to whom the statute can be lawfully applied." *United States v. Hansen*, 599 U.S. 762, 769 (2023). This approach "provides breathing room for free expression." *Id.*

"Overbroad laws may deter or 'chill' constitutionally protected speech, and if would-be speakers remain silent, society will lose their contributions to the marketplace of ideas. To guard against those harms, the overbreadth doctrine allows a litigant (even an undeserving one) to vindicate the rights of the silenced, as well as society's broader interest in hearing them speak." *Id.* at 769–70 (internal quotation marks and citation omitted).

"If the challenger demonstrates that the statute prohibits a substantial amount of protected speech relative to its plainly legitimate sweep, then society's interest in free expression outweighs its interest in the statute's lawful applications, and a court will hold the law facially invalid." *Id.* at 770 (internal quotation marks omitted).

I-194 § 4(1) bans all artificial persons from spending money or anything of value to support or oppose the outcome of a vote of the Montana electorate.

Nonprofit and for-profit corporations that are not candidate committees, ballot question committees, or political committees will violate I-194 by expending money or something of value through the work of their staff and the use of their supplies and resources in the ordinary course of its business of providing products or services to customers, clients, members, or interested individuals that seek them out.

Nonpartisan issue advocacy corporations will violate I-194 by publishing issue scorecards about candidates for public office on the Montana ballot or engaging in other issue advocacy that is neither express advocacy nor its functional equivalent.

Religious corporations will violate I-194 by taking positions on Montana ballot measures as part of their ordinary course of business of taking positions on moral issues of public concern.

Retail corporations will violate I-194 by advertising and selling books, movies, or music that discuss candidates for public office or ballot measures on the Montana ballot because this media supports or opposes the outcome of a vote of the Montana electorate. For example, in 2024, I-194 would have banned the sale and distribution of books

criticizing either President Joe Biden or President Donald Trump because retailers would be expending their resources to put them on store shelves or delivering them to their customers' homes.

Newspapers, television stations, and radio stations will violate I-194 by running political advertisements about candidates for public office or ballot measures on the Montana ballot–not as part of their bona fide news, commentary, or editorial content, but in the ordinary course of business of a for-profit corporation that sells advertising.

Movie theatres and radio stations will violate I-194 by running entertainment that discusses candidates for public office that appear on the Montana ballot as part of these corporations' ordinary course of business.

Plainly, any published utterance made by an employee of any type of corporation that is not uttered in performance of a bona fide news, commentary, or editorial function about any candidate or ballot measure appearing on any Montana ballot in any Montana locality is banned in Montana. And all these types of corporations are prohibited from associating with their members or customers in the furtherance of these speech activities either for commercial or not-for-profit purposes.

And plaintiff PAC MS will be prohibited from providing its services in Montana. Ex. 5 at ¶ 14.

Indeed, I-194 "prohibits a substantial amount of protected speech relative to its plainly legitimate sweep." *Hansen*, 599 U.S. at 770 (internal quotation marks omitted). "[S]ociety's interest in free expression outweighs its interest in [any of I-194's purported] lawful applications." *Id.* The Court should "hold [I-194] facially invalid." *Id.*

II. Plaintiffs will suffer irreparable harm without equitable relief.

The Supreme Court and the Ninth Circuit "have repeatedly held that the loss of First Amendment freedoms, for even minimal periods of time, unquestionably constitutes irreparable injury." *Klein v. City of San Clemente,* 584 F.3d 1196, 1207–08 (9th Cir. 2009) (quoting *Elrod v. Burns*, 427 U.S. 347, 373 (1976) (internal punctuation marks omitted). "The harm is particularly irreparable where, as here, a plaintiff seeks to engage in political speech, as timing is of the essence in politics and a delay of even a day or two may be intolerable . . . ." *Id.* at 1208 (internal punctuation marks omitted).

Because the Plaintiffs have shown that they are likely to succeed on the merits of their claims, they have "demonstrated a likelihood of irreparable injury in the absence of an injunction." *Id*.

III. The balance of equities and the public interest favor equitable relief.

Plaintiffs' likelihood of success on the merits "also tips the public interest sharply in [their] favor because it is always in the public interest to prevent the violation of a party's constitutional rights." *Baird*, 81 F.4th at 1040 (internal quotation marks omitted). I-194 "infringes on the free speech rights not only of [the plaintiffs], but also of [any corporation] seeking to express their views in [the same] manner." *Klein*, 584 F.3d at 1208. "The balance of equities and the public interest thus tip sharply in favor of enjoining [I-194]." *Id*.

IV. The Court should waive Rule 65(c)'s security requirement.

"Despite the seemingly mandatory language, Rule 65(c) invests the district court with discretion as to the amount of security required, *if any*." *Johnson v. Couturier,* 572 F.3d 1067, 1086 (9th Cir. 2009) (emphasis in original) (internal quotation marks omitted). "In particular, the district court may dispense with the filing of a bond when it concludes there is no realistic likelihood of harm to the

defendant from enjoining his or her conduct." *Id*. (internal punctuation marks omitted).

Here, Defendants are state officials sued in their official capacities. They will suffer no prejudice if an injunction is issued. And enjoining unconstitutional laws harms no one. Accordingly, the Court should not require bond.

Conclusion

For these reasons, the Court should grant Plaintiffs' motion, preliminarily enjoin Defendants, their officers, agents, employees, and all persons acting in concert with them from implementing or enforcing I-194 pending final judgment, and waive the security requirement of Federal Rule of Civil Procedure 65(c).

Dated: November 16, 2026

Respectfully submitted,
/s/ Gage Hart Zobell

Ryan Morrison*
LIBERTY JUSTICE CENTER
1629 K St., NW, Ste. 300
Washington, DC 20006
T: 512-481-4400
rmorrison@ljc.org

Gage Zobell (#13925)
Jensen Lillquist (#3252)
DORSEY & WHITNEY LLP
Millennium Building
125 Bank Street, Suite 600
Missoula, MT 59802
T: (406) 721-6025
zobell.gage@dorsey.com
lillquist.jensen@dorsey.com
Attorneys for Plaintiffs
* *Pro Hac Vice* Forthcoming

Certificate of Compliance

This memo has a word count of 5,875 words, excluding caption, certificate of compliance, table of contents and authorities, and exhibit index, and is in compliance with Montana Local Rule 7.1(d)(2)(A).

/s/ Gage Hart Zobell

Exhibit 4

UNITED STATES DISTRICT COURT
DISTRICT OF MONTANA
HELENA DIVISION

YOUNG AMERICANS FOR LIBERTY, INC., et al., *Plaintiffs*, v. AUSTIN KNUDSEN, *in his official capacity as Montana Attorney General*, et al., *Defendants*.	Case No. 26-cv-00081-BMM **Declaration of Matt Vincent**

I, Matt Vincent, state as follows:

1. I am a United States citizen at least 18 years of age. I have personal knowledge of the facts stated in this declaration. If called as a witness, I would testify as follows:

2. I am the Executive Director of the Montana Mining Association ("MMA"), a Montana trade association dedicated to assisting mining companies, small miners and allied trade members succeed in Montana's complex business and regulatory environment. The primary purpose of MMA is to protect and promote the mining

industry in the state of Montana. I have served as Executive Director since September 2022.

3. MMA protects and promotes Montana's mining industry, including by supporting or opposing the outcome of a vote of the Montana electorate.

4. MMA is funded by annual dues from its members—which include both Montana and out-of-state corporations, limited-liability companies, and other entities. MMA's members' dues are used for all of MMA's activities, including its exercises of political spending power, as defined in I-194 § 3.

5. MMA's members, and the mining industry more generally, rely on MMA to advocate for mining on their behalf, including by raising awareness of candidates or ballot issues that would help or harm mining in Montana.

6. MMA is not owned by any candidate, political party, or political committee.

7. Prior to the 2026 election cycle, MMA directly or indirectly undertook, financed, or directed the exercise of political spending power, as defined in I-194 § 3, in the state of Montana.

8. Prior to the 2026 election cycle, MMA expended money or things of value to support or oppose the outcome of a vote of the Montana electorate.

9. In the 2018 Montana election, MMA and its members donated to a political committee, and in doing so spent millions of dollars to oppose I-186, as well as substantial amounts of time and energy coordinating a campaign against I-186.

10. In 2023, MMA dissolved its prior political committee and split the remaining funds (approximately $4,000) between the Democratic Legislative Leadership Council and the Republican Legislative Leadership Council.

11. In the 2024 Montana election cycle, MMA made social media posts to support or oppose the outcome of the vote of the Montana electorate. Additionally, MMA publicly endorsed Cory Swanson for Chief Justice and Dan Wilson for Associate Justice on the Montana Supreme Court.

12. In the 2026 Montana election cycle, MMA made social media posts, coordinated opposition among industry groups, and was a party to legal challenges challenging I-194 and its predecessor

initiatives. Additionally, MMA made direct contributions to Dan Wilson's campaign for Associate Justice on the Montana Supreme Court. MMA also contributed approximately $500 a piece to both the Montana Democratic Legislative Campaign Committee and the Montana Republican Campaign Committee. And MMA made contributions to several political committees, including a $22,500 donation to Montanans for Free Speech.

13. In each and every election cycle after the 2026 election cycle, MMA will directly or indirectly undertake, finance, or direct the exercise of political spending power, as defined in I-194 § 3, in the state of Montana.

14. MMA will expend money or things of value to support or oppose the outcome of a vote of the Montana electorate in each and every election cycle after the 2026 election cycle.

15. Absent injunctive relief, once I-194 takes effect on January 1, 2027, MMA will be unable to use its members' dues to expend money or anything of value to support or oppose an outcome of a vote of the Montana electorate. MMA would need to secure alternative funding for its political speech, or would need to halt its political activities entirely.

16. Indeed, MMA has experience being subject to speech restrictions. As detailed in the Ninth Circuit's decision in *Montana Chamber of Commerce v. Argenbright*, 226 F.3d 1049 (9th Cir. 2000), MMA was unable to advocate for its members' interests when Montana voters were considering I-137, which would ban certain forms of mining in the State. MMA succeeded in securing an injunction against the speech-restricting law in question, but only two weeks before the election. I-137 passed, causing significant economic harm to MMA and its members.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 16, 2026.



Matt Vincent
Executive Director
Montana Mining Association

Exhibit 5

UNITED STATES DISTRICT COURT
DISTRICT OF MONTANA
HELENA DIVISION

YOUNG AMERICANS FOR LIBERTY, INC., et al., *Plaintiffs*, v. AUSTIN KNUDSEN, *in his official capacity as Montana Attorney General*, et al., *Defendants*.	Case No. 26-cv-**00081**-BMM **Declaration of Dan Backer**

I, Dan Backer, state as follows:

1. I am a United States citizen at least 18 years of age. I have personal knowledge of the facts stated in this declaration. If called as a witness, I would testify as follows:

2. I am the Manager of a Delaware limited liability company called PAC Management Services LLC ("PAC MS"), which, consistent with Federal Election Commission regulations, also does business as "VIP Gatekeeper." *See* FEC Advisory Opinion 2021-07 (PACMS).

3. PAC MS provides services to state and federal political action committees, candidate committees, party committees, and other organizations engaged in political and other advocacy work.

4. Among those services are Federal Election Commission and state governmental equivalent reporting and compliance, treasury services, and general consulting services. Specifically, PAC MS facilitate client organization operations and their sub-vendors that engage in political communications and employ door-to-door canvassers to communicate political messages to the relevant electorate either directly or through its wholly owned subsidiary company.

5. VIP Gatekeeper connects active, elite, top-tier political donors—VIPs—with trusted, pre-approved political advisors—Gatekeepers—to maximize the impact of political giving. VIPs and their Gatekeepers can quickly, easily and effectively drive support for candidates that share their political agenda.

6. More specifically, VIP Gatekeeper processes and streamlines financial contributions from large dollar donors to strategic contribution opportunities to quickly raise contributions for key candidates and officeholders.

7. In the 2026 Montana election cycle, VIP Gatekeeper processed $46,140 on behalf of seven donors to 28 state legislative candidates/entities.

8. In the 2026 Montana election cycle, VIP Gatekeeper processed $10,000 of contributions to Montana political action committees.

9. In the 2026 Montana election cycle, VIP Gatekeeper processed $7,000 worth of donations to Kurt Alme's campaign for United States Senate.

10. VIP Gatekeeper intends to continue its business practices of processing financial contributions to Montana candidates in all future elections.

11. The financial contributions that VIP Gatekeeper processes for state and federal Montana candidates for public office and Montana political action committees either support or oppose the outcome of a vote of the Montana electorate.

12. By continuing to conduct the business practices described in the previous paragraphs in Montana in each and every election cycle after the 2026 election cycle, PAC MS, and when it operates as VIP Gatekeeper, will expend money or something of value through the work

of its staff and the use of its supplies and resources to support or oppose the outcome of a vote of the Montana electorate.

13. PAC MS will directly or indirectly undertake the exercise of political spending power in the state of Montana in each and every election cycle after the 2026 election cycle.

14. If I-194 takes effect, PAC MS will be forced to stop its Montana business operations to avoid legal sanctions under I-194 for directly or indirectly undertaking, financing, or directing the exercise of political spending power in the state of Montana, and for expending money or something of value to support or oppose the outcome of a vote of the Montana electorate through the work of its staff and the use of its supplies and resources.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 16, 2026.

DBB

Dan Backer
Manager
PAC Management Services LLC

Exhibit 1

BALLOT LANGUAGE FOR INITIATIVE NO. 194 (I-194)

INITIATIVE NO. 194

A LAW PROPOSED BY INITIATIVE PETITION

I-194, if passed, limits the powers of artificial persons to those powers necessary or convenient as provided by law. These powers must exclude contributing anything of value to candidate elections, supporting or opposing political parties, or supporting or opposing state or local ballot issues. Artificial persons include non-profits, trusts, partnerships, corporations, trade associations, or unincorporated associations and includes all such entities doing business in Montana. Any violation of I-194 is punished by forfeiting all privileges to do business in Montana. Those privileges may be, but are not automatically, restored upon disgorgement and certification of compliance with I-194. I-194 does not apply to the distribution of news, commentary, or editorial content. I-194 also does not apply to the state of Montana, political subdivisions, individuals, political committees, or public corporations.

[] YES on Initiative I-194
[] NO on Initiative I-194

THE COMPLETE TEXT OF INITIATIVE NO. 194 (I-194)

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

NEW SECTION. **Section 1. Short title.** [Sections 1 through 10] may be cited as "The Montana Plan Act."

NEW SECTION. **Section 2. Findings and purpose.** (1) The people of the state of Montana find that all political power is inherent in the people and that corporations and other artificial persons are creations of statute that exist only by virtue of powers affirmatively extended by the state.

(2) The creation, continued existence, and enjoyment of charter privileges by an artificial person are not natural rights; they are conditional grants of legal status made by the state of Montana and accepted subject to the state's reserved authority to define, limit, revise, or withdraw the powers and privileges it confers.

(3) The people find that Montana law has historically included broad grants of powers to artificial persons, including powers described as necessary or convenient to lawful purposes, and that these broad formulations have more recently been construed to include the legal capacity to expend money or anything of value to support or oppose the outcome of a vote of the electorate.

(4) The people find that, because the general grants of powers to artificial persons have been construed to include political spending power in a manner that does not reflect the will of the people, it is therefore necessary to enact [sections 1 through 10] to redefine those grants and make their limits explicit, so that the legal privileges conferred on artificial persons by the people through the state are not used to compromise the integrity of the people's political process.

(5) The people find that every artificial person formed under the laws of this state, or authorized to transact business or hold property in this state, has accepted its legal status and any charter privileges subject to the continuing authority of the state to define the scope of its powers, that an artificial person has not acquired a vested right to the continuation of a particular statutory grant of power, and that this principle is well established in law.

(6) The purposes of [sections 1 through 10] are to:

(a) establish that state-conferred legal status and charter privileges are granted to an artificial person only on the condition that the artificial person operate within the powers extended by the state;

(b) make explicit that political spending power is not among the powers extended to artificial persons, except as expressly provided by law for political committees;

(c) establish a single, uniform definition of the powers extended to artificial persons under [sections 1 through 10];

(d) provide clear and enforceable consequences for the exercise of political spending power not extended by the state; and

(e) leave wholly undisturbed the constitutional rights of natural persons.

NEW SECTION. **Section 3. Definitions.** As used in [sections 1 through 10], and solely for the purposes of defining the scope of artificial-person powers and the consequences that attach to acts outside that scope, the following definitions apply:

(1) "Artificial person" means an entity whose existence, legal status, or limited liability shield is conferred by the laws of the state of Montana, including an entity organized or existing under the laws of another jurisdiction that is authorized to transact business, is otherwise transacting business, or holds property in Montana. An entity organized or existing under the laws of another jurisdiction that directly or indirectly undertakes, finances, or directs the exercise of political spending power in the state of Montana is conclusively considered to be transacting business in this state for the purposes of [sections 1 through 10].

(2) "Artificial-person powers" means powers necessary or convenient to carry out lawful business, charitable, cooperative, or organizational purposes as provided by Montana law, excluding political spending power. Political spending power may not be deemed necessary or convenient under any circumstances.

(3) "Charter privilege" means any legal benefit that exists only because the state of Montana confers it on an artificial person, including limited liability, perpetual duration, succession in entity name, or any statutory limitation on personal liability.

(4) (a) "Political spending power" means the legal capacity to pay, contribute, or expend money or anything of value to support or oppose:

(i) a candidate, political party, or political committee in an election held in this state; or

(ii) any initiative, referendum, recall, constitutional amendment, charter amendment, or other question formally certified or submitted to the electors of this state or any political subdivision of the state.

(b) The term does not include the distribution of bona fide news, commentary, or editorial content unless the publishing entity is owned or controlled by a political party, a political committee, or a candidate.

(c) Political spending power may be exercised by political committees, as provided by law.

NEW SECTION. **Section 4. General rule -- political spending power not extended.** (1) Except as expressly provided by law for political committees, the state of Montana does not extend political spending power to an artificial person, and an artificial person subject to [sections 1 through 10] does not possess any legal capacity to expend money or anything of value to support or oppose the outcome of a vote of the electorate.

(2) The absence of political spending power under [sections 1 through 10] is a condition of state-conferred legal status and charter privileges. An artificial person that exercises political spending power not extended by the state acts outside the powers granted as a condition of that status.

NEW SECTION. **Section 5. Applicability.** (1) [Sections 1 through 10] apply to all artificial persons formed, organized, or existing under the laws of the state of Montana.

(2) [Sections 1 through 10] apply to an artificial person organized or existing under the laws of another jurisdiction that is authorized to transact business, is otherwise transacting business, or holds property in the state.

(3) [Sections 1 through 10] apply to any trust, statutory trust, business trust, or similar arrangement to the extent Montana law confers limited liability, perpetual duration, succession in name, or any other charter privilege by reason of that form.

(4) [Sections 1 through 10] do not apply to:

(a) natural persons acting solely in an individual capacity;

(b) the state of Montana or any agency, authority, or political subdivision of the State; or

(c) a public body corporate and politic expressly identified as corporate and politic by statute.

(5) [Sections 1 through 10] do not restrict the lawful activities of political committees organized under Montana law or federal law.

NEW SECTION. **Section 6. Exercise of political spending power beyond the scope of authority -- voidness -- nonratification.** (1) An act by an artificial person that constitutes an exercise of political spending power not extended by the state under [sections 1 through 10] is beyond the scope of authority and void.

(2) An act described in subsection (1):

(a) is void from the beginning;

(b) may not be ratified, validated, or given effect by consent, waiver, estoppel, reliance, course of dealing, or any other equitable doctrine; and

(c) creates no enforceable rights, obligations, or defenses.

(3) The character of an act that is beyond the scope of authority under this section arises solely from the absence of political spending power as a condition of state-conferred legal status and charter privileges.

NEW SECTION. **Section 7. Forfeiture of charter privileges -- reinstatement.** (1) An artificial person that exercises political spending power not extended by the state under [sections 1 through 10] forfeits all charter privileges as a matter of law.

(2) Charter privileges forfeited under subsection (1) include, without limitation:

(a) limited liability;

(b) perpetual duration;

(c) succession in entity name; and

(d) any statutory limitation on personal liability conferred by Montana law.

(3) Forfeiture under this section applies only to charter privileges conferred by Montana law. [Sections 1 through 10] do not purport to affect privileges conferred by the laws of another jurisdiction.

(4) An artificial person whose charter privileges are forfeited under this section may be reinstated only pursuant to procedures enacted or administered by the state and only upon:

(a) full disgorgement of all money or things of value expended, contributed, or transferred in the exercise of political spending power;

(b) certification of future compliance with [sections 1 through 10]; and

(c) satisfaction of any additional conditions the legislature or a designated state authority considers appropriate.

(5) Disgorgement under subsection (4)(a) is required regardless of whether the political spending supported or opposed a position that prevailed or failed in the outcome of a vote of the electorate.

NEW SECTION. **Section 8. Administration and enforcement.** (1) The secretary of state shall adopt rules and procedures necessary to implement and enforce [sections 1 through 10], including procedures governing forfeiture, reinstatement, disgorgement, certification of compliance, notice, and the opportunity to be heard consistent with due process.

(2) The attorney general has the authority and responsibility to bring actions to enforce [sections 1 through 10], including actions seeking declaratory relief, injunctive relief, disgorgement, and confirmation or enforcement of forfeiture.

(3) The authority granted under this section is in addition to any other enforcement authority provided by law.

NEW SECTION. **Section 9. Supersession of inconsistent law.** (1) The powers of an artificial person under Montana law are limited to artificial-person powers as defined in [section 3].

(2) A provision of Title 35, or any other law of this state may not be construed to extend political spending power to an artificial person except as expressly provided by law for political committees.

(3) A statutory grant of power, authority, or capacity that could otherwise be construed to include political spending power is superseded by [sections 1 through 10] and must be given no effect.

NEW SECTION. **Section 10. Effect on organizational documents.** A provision of articles of incorporation, articles of organization, partnership agreements, operating agreements, bylaws, trust instruments, or other organizational documents purporting to grant or confer political spending power is void.

NEW SECTION. **Section 11. Savings Clause.** (1) [This act] does not invalidate, impair, or modify any contract, debt instrument, security, or other legal obligation lawfully entered into before [the effective date of [this act].

(2) [This act] does not authorize the exercise of political spending power after [the effective date of [this act].

NEW SECTION. **Section 12. Severability -- nonrevival.** (1) If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

(2) A power, privilege, or capacity withdrawn or not extended by [this act] may not be revived, reinstated, or implied by operation of law or judicial construction.

NEW SECTION. **Section 13. Codification instruction.** [Sections 1 through 10] are intended to be codified as a new chapter in Title 35, and the provisions of Title 35 apply to [sections 1 through 10].

NEW SECTION. **Section 14. Effective date.** If approved by the electorate, [this act] is effective January 1, 2027.

Exhibit 2

UNITED STATES DISTRICT COURT
DISTRICT OF MONTANA
HELENA DIVISION

YOUNG AMERICANS FOR LIBERTY, INC., et al., *Plaintiffs*, v. AUSTIN KNUDSEN, *in his official capacity as Montana Attorney General*, et al., *Defendants*.	Case No. 26-cv-**00081**-BMM **Declaration of Steve Mairella**

I, Steve Mairella, state as follows:

1. I am a United States citizen at least 18 years of age. I have personal knowledge of the facts stated in this declaration. If called as a witness, I would testify as follows:

2. I am the General Counsel of Young Americans for Liberty, Inc. ("YAL"), a liberty focused organization that exists to advance liberty across the United States, including Montana.

3. YAL is incorporated in Virginia. It is an "artificial person" as defined in Montana's ballot initiative I-194.

4. YAL is not owned by any candidate, political party, or political committee.

5. One way that YAL pursues its goals is by associating with Plaintiff Make Liberty Win.

6. In 2025, YAL contributed over $3.5 million to Make Liberty Win.

7. In 2026, as of the date this declaration, YAL contributed over $1.3 million to Make Liberty Win.

8. Make Liberty Win used a portion of YAL's contributions to support or oppose the outcome of a vote of the Montana electorate, specifically during the 2026 primary elections.

9. YAL has actual knowledge of and supports Make Liberty Win's use of its financial contributions to support or oppose the outcome of a vote of the Montana electorate.

10. By associating with Make Liberty Win through its financial contributions prior to and during the 2026 election cycle, and by expending money or something of value through the work of its staff and the use of its supplies and resources, YAL indirectly financed the exercise of political spending power, as defined in I-194 § 3, in the state

of Montana by expending money or something of value to support or oppose the outcome of a vote of the Montana electorate.

11. YAL intends to and will continue its association with Make Liberty Win during each and every election cycle in Montana after the 2026 election cycle. YAL will continue to contribute money, expend money, or expend something of value through the work of its staff and the use of its supplies and resources.

12. Because Montana is consistently a top priority state for YAL's policy goals, YAL believes that Make Liberty Win will use a portion of YAL's contributions during each and every election cycle in Montana after the 2026 election cycle to support or oppose the outcome of a vote of the Montana electorate.

13. YAL has actual knowledge of and supports Make Liberty Win's continued use of its financial contributions to support or oppose the outcome of a vote of the Montana electorate during each and every election cycle in Montana after the 2026 election cycle.

14. If I-194 takes effect, YAL will be forced to stop contributing to, and associating with, Make Liberty Win with respect to Make Liberty Win's activities in Montana, because any such contribution

would expose YAL to having its acts declared void, forfeiture of its charter privileges, and disgorgement under I-194 §§ 6–7.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 16, 2026.

Steve Mairella

Steve Mairella
General Counsel
Young Americans for Liberty, Inc.

Exhibit 3

UNITED STATES DISTRICT COURT
DISTRICT OF MONTANA
HELENA DIVISION

YOUNG AMERICANS FOR LIBERTY, INC., et al., *Plaintiffs*, v. AUSTIN KNUDSEN, *in his official capacity as Montana Attorney General*, et al., *Defendants*.	Case No. 26-cv-0081-BMM **Declaration of Barrett Young**

I, Barrett Young, state as follows:

1. I am a United States citizen at least 18 years of age. I have personal knowledge of the facts stated in this declaration. If called as a witness, I would testify as follows:

2. I am the Executive Director of Make Liberty Win ("MLW"), a political action committee dedicated to promoting and advancing the principles of liberty and freedom.

3. MLW's team of activists diligently canvasses neighborhoods, connects with voters, and promotes conservative values in as many as forty states across the nation, including Montana. MLW's efforts ensure

its message strikes a chord with a diverse range of constituents, ultimately leading up to its success in elections, measured by the election of liberty-minded candidates in primary and general elections, including elections in Montana.

4. MLW pursues its activities to support or oppose the outcome of a vote of the Montana electorate.

5. MLW is not owned by any candidate, political party, or other political action committee.

6. More than 90% of MLW's contributions come from Plaintiff Young Americans for Liberty, Inc. ("YAL").

7. Before the 2026 election cycle, MLW expended money or things of value to support or oppose the outcome of a vote of the Montana electorate.

8. Because YAL is MLW's chief contributor, YAL effectively financed MLW's activities in Montana.

9. In the 2020 Montana election cycle, MLW spent approximately $52,000 on direct mail, phone banks, literature distribution and peer-to-peer texts to support or oppose the outcome of a vote of the Montana electorate.

10. In the 2022 Montana election cycle, MLW spent approximately $56,000 on direct mail, phone banks, literature distribution and peer-to-peer texts to support or oppose the outcome of a vote of the Montana electorate.

11. In the 2024 Montana election cycle, MLW spent approximately $123,000 on direct mail, phone banks, literature distribution and peer-to-peer texts to support or oppose the outcome of a vote of the Montana electorate.

12. During the 2026 election cycle, MLW expended money or things of value to support or oppose the outcome of a vote of the Montana electorate.

13. In the 2026 Montana election cycle, MLW spent approximately $370,000 on direct mail, phone banks, literature distribution and peer-to-peer texts to support or oppose the outcome of a vote of the Montana electorate.

14. In each and every election cycle after the 2026 election cycle, MLW intends to directly or indirectly undertake, finance, or direct the exercise of political spending power, as defined in Montana ballot initiative I-194 § 3, in the state of Montana.

15. MLW will expend money or things of value to support or oppose the outcome of a vote of the Montana electorate in each and every election cycle after the 2026 election cycle.

16. If YAL is no longer able to contribute to Montana elections because of I-194, MLW will no longer be able to associate with YAL for the purpose of expending money or things of value to support or oppose the outcome of a vote of the Montana electorate.

17. Alternatively, MLW will have to cease operations in Montana to ensure that it is not causing YAL to indirectly expend money or things of value to support or oppose the outcome of a vote of the Montana electorate, which would subject YAL to liability under I-194.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 16, 2026.

[redacted] (Nov 16, 2026 13:33:08 CST)

Barrett Young
Executive Director
Make Liberty Win