

**BEFORE THE COMMISSIONER OF
POLITICAL PRACTICES**

In the Matter of the)
Complaint Against)
The North School Zoning)
Association)

SUMMARY OF FACTS AND STATEMENT OF FINDINGS

A complaint filed with this office by Darlene Enriquez, Renee Studiner and Steve O'Neil, on behalf of the People for Initiative 98-1, made the following allegations against the North School Zoning Association of Laurel:

1. The North School Zoning Association was not registered as a political committee.
2. Funds from an incorporated entity were used to campaign against Initiative 98-1.
3. Campaign funds were not disclosed.
4. Election judges at the June primary were requesting that voters refrain from signing petitions.
5. A candidate's campaign workers were asking people to oppose the initiative while campaigning for the candidate.

SUMMARY OF FACTS

The North School Zoning Association (NSZA) is a non-profit corporation formed for the purpose of dealing with neighborhood issues as they arise. It was registered with the Secretary of State as a Type 52 public interest non-profit corporation on November 12, 1997. There are no for-profit corporate members; all members are individuals.

1. The required Statement of Organization (Form C-2) was not filed with the Commissioner of Political Practices and the Yellowstone County Election Administrator prior to the filing of the complaint.

2. Funds raised for use in opposing the initiative have come from individuals and yard sales.

3. As of October 19, 1998, \$518.80 had been expended by the committee.

4. The chief judge at the polling place in Graff School at the June primary denied that any of the election officials at the election engaged in campaigning against the initiative. He maintained that the officials were trained, experienced and well aware of the prohibitions placed on them by the rules governing their behavior as election officials.

5. No inquiries were made regarding the use of a candidate's campaign workers to advise people to vote against the initiative.

STATEMENT OF FINDINGS

Section 13-37-201, Montana Code Annotated (MCA), requires that a political committee file a Statement of Organization (Form C-2) with the Commissioner and the appropriate county election administrator within 5 days after it makes an expenditure or authorizes another person to make an expenditure on its behalf, whichever occurs first. Diana Walker, President of the NSZA, maintains she did send in the required Form C-2 to the Commissioner's office; however, it was not received.

The issuance of an order of noncompliance by the Commissioner was unnecessary because the committee completed and filed a Form C-2 on October 26, 1998, according to instructions from the Commissioner's office. Ms. Walker further reported expenditures of \$518.80 for signs and fliers

opposing the initiative. She agreed to follow the reporting requirements as indicated in materials provided by the Commissioner's office.

The NSZA, a non-profit corporation, did meet the requirements of Initiative 125, which was declared unconstitutional by U. S. District Court Judge Lovell on October 22, 1998.

No evidence was found regarding prohibited conduct of election officials at Graff School.

Campaign workers for candidates are not limited as to their issue or campaign discussions.

CONCLUSION

Failure of a committee to file a Statement of Organization (Form C-2) in a timely manner is a violation of 13-37-201, MCA. This violation was corrected without the issuance of an order of noncompliance. Cooperation by the President of NSZA was timely. Given the circumstances and subsequent compliance with the filing requirement, no further action is warranted.

DATED this 30th day of October, 1998.



Ed Argenbright, Ed.D.
Commissioner