PEOPLE UNITED *for* PRIVACY

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# "THE MONTANA PLAN ACT" (I-194):

## A MUZZLE ON ALL MONTANA NONPROFITS AND A CLANDESTINE ATTACK ON MONTANANS' PRIVACY

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Dubbed "The Montana Plan Act" by its backers, voters in Big Sky Country will be asked to approve or reject an initiative that's cynically designed to muzzle their voices this November. Modeled after the Center for American Progress's "Corporate Power Reset" ploy[1] and backed by a deep-pocketed organization known as the Transparent Election Initiative,[2] the Montana Secretary of State has certified I-194, as it is known, for the 2026 ballot.

## OFFICIAL BALLOT LANGUAGE

"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."[3]

## SUMMARY

I-194 denies all "artificial persons" the right to "directly or indirectly" spend money in support of or in opposition to candidates, political parties, political committees, or any question submitted to the electorate, what the measure calls "political spending power." In simpler terms, all entities licensed by the state – including churches, nonprofits, businesses, and unions – will be prohibited from spending any money whatsoever on political or issue speech. Critically, I-194's reach isn't confined to Montana's borders. The text is explicit that "artificial person" includes "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." Violations result in forfeiture of state-conferred charter privileges, including limited liability, perpetual duration, succession, and limitations on personal liability.

## IMPACT ON NONPROFITS AND FREEDOM OF ASSOCIATION

What would I-194's ban on First Amendment rights for associations look like? Five key consequences are obvious.

**Montana debates will be controlled by politicians, PACs, and the privileged.** At its core, I-194 flatly prohibits incorporated entities from engaging in political and issue speech. The inevitable result of that ban will be to shift full control of political debates to politicians, political action committees (PACs), and the wealthy inside (and outside) Montana whose individual spending is not – and cannot[4] – be limited by I-194. Titans of industry

[1] Matt Nese, Zac Morgan, and Allen Dickerson, "The 'Corporate Power Reset': An Existential Threat to Civil Society," People United for Privacy Foundation. Available at: https://unitedforprivacy.com/wp-content/uploads/2026/07/2026-07-29_PUFPF-Report_Nese-Morgan-Dickerson_Corporate-Power-Reset-Analysis.pdf (July 29, 2026).

[2] Victoria Eavis, "How unidentifiable donors are funding Montana's anti-dark money initiative," *Montana Free Press*. Available at: https://montanafreepress.org/2026/06/11/how-unidentifiable-donors-are-funding-montanas-anti-dark-money-initiative/ (June 11, 2026).

[3] "Ballot Language for Initiative No. 194 (I-194)," Montana Secretary of State. Available at: https://sosmt.gov/wp-admin/admin-ajax.php?juwpfisadmin=false&action=wpfd&task=file.download&wpfd_category_id=139&wpfd_file_id=73640&token=4937985bf188ce0c6b5071e2bde04702&preview=1 (Aug. 17, 2026).

[4] *Buckley v. Valeo*, 424 U.S. 1, 45–51 (1976) (invalidating limits on independent expenditures).

and repeat, established political players will have nothing to fear. But the average Joe or Jane – who can effectively advocate only through association with neighbors and like-minded peers – will go silent, their perspective ignored.

**The chilling effect will be extraordinary.** Under I-194, groups that "directly or indirectly" choose to spend "money or anything of value to support or oppose" a candidate, political party, PAC, or ballot question will lose legal protection. Since forfeiture of all legal privileges is at risk, the incentives are (quite intentionally) to stay as far away from that sweeping line as possible. In practice, anything that even looks political will be avoided by any legally recognized association. Advocating against the governor's signature legislation? That might indirectly affect his or her re-election chances. Promoting "family values" or "an inclusive society"? Even these generic appeals will be avoided rather than risk being accused of "indirectly" boosting the fortunes of either major political party.

**Private association will die.** The intended result of I-194's "political spending power" ban for businesses, nonprofits, and unions is to force all speech related to candidates, elected officials, ballot measures, and policy debates into a highly regulated and granularly disclosed campaign finance regulatory regime. As one of the policy's architects explained in an interview about a copycat Hawaii law, "what the bill does is assures that every dollar in Hawai'i's politics is from a human being, that it's disclosed, and that… their name has to be attached to it."[5] Any group engaged in Montana that refuses to reorganize as a PAC – and publicly disclose its members and supporters – is effectively barred from participating in the most direct and impactful forms of issue and political speech. Privacy in association isn't explicitly outlawed, unless you have something to say. Montanans will either be forced to stay silent *or* publicly expose their name, home address, employer, occupation, and contribution amount to public scrutiny – and all the harassment or worse that doing so may entail.

**Enforcement will be weaponized and partisan.** I-194 bestows implementation and enforcement powers on the Secretary of State and Attorney General, respectively. Both offices are helmed by partisan elected officials. In effect, those politicians and their staff will decide what corporations and nonprofits live and die if they illegally exercise "political spending power." Even the most conscientious public servant will be tempted to abuse that authority, and the unscrupulous will revel in it. After all, the cornerstone case on political association, *NAACP v. Alabama*, arose because of precisely that kind of chicanery.[6] As just one example, the measure's limitation of corporate speech protections to media engaged in "bona fide news [and] commentary" is ripe for selective enforcement against any blogs or websites the incumbent Secretary of State and/or Attorney General disfavors.

**The precedent set by I-194 threatens *all* constitutional protections for associations.** Make no mistake: If I-194's backers succeed in enshrining "The Montana Plan Act" into state law, their strategy can be seized upon by lawmakers and future initiative sponsors to halt any state-recognized association of people from exercising or possessing other constitutional rights. From religious expression to lobbying and producing firearms to providing legal counsel, any fundamental right may be on the chopping block.

## CONCLUSION

If I-194 becomes law, it will immediately silence any charity, church, think tank, advocacy nonprofit, labor union, trade association, or business operating in Montana. Though the measure is all but certain to wind up in court, Montanans and the nonprofits they support will surely be silenced while the legal proceedings unfold.

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[5] Maddie Bender, "Here's what legislation on 'dark money' will do for Hawai'i," *Hawai'i Public Radio*. Available at: https://www.hawaiipublicradio.org/the-conversation/2026-05-12/heres-what-legislation-on-dark-money-will-do-for-hawaii (May 12, 2026).

[6] Luke Wachob, "The Roots of Donor Disclosure Are Uglier Than We Knew," People United for Privacy. Available at: https://unitedforprivacy.com/the-roots-of-donor-disclosure-are-uglier-than-we-knew/ (July 1, 2024).