



AN ACT REVISING LAWS RELATED TO FIREARMS; PROVIDING THAT A GOVERNMENTAL ENTITY MAY NOT CONTRACT WITH A COMPANY THAT HAS A POLICY THAT DISCRIMINATES AGAINST FIREARM ENTITIES OR FIREARM TRADE ASSOCIATIONS; REQUIRING WRITTEN VERIFICATION IN A CONTRACT WITH A GOVERNMENTAL ENTITY THAT A COMPANY DOES NOT DISCRIMINATE AGAINST FIREARM ENTITIES OR FIREARM TRADE ASSOCIATIONS; AND PROVIDING DEFINITIONS.

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

Section 1. Financial industry nondiscrimination -- definitions. (1) The provisions of this section apply only to a contract that:

- (a) Is between a governmental entity and a company with at least 10 full-time employees; and
- (b) has a value of at least \$100,000 that is paid wholly or partly from public funds of the

governmental entity.

(2) Except as provided in subsection (3), a governmental entity may not enter into a contract with a company for the purchase of goods or services unless the contract contains a written verification from the company that it:

- (a) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
- (b) will not discriminate during the term of the contract against a firearm entity or firearm trade association.

(3) The provisions of subsection (2) do not apply to a governmental entity that:

- (a) contracts with a sole-source provider; or
- (b) does not receive a bid from a company that is able to provide the written verification required

by subsection (2).

(4) The department of administration, the judicial branch, or a state agency, as defined in 2-2-102 and in which the contract originated, has the authority and responsibility of reviewing state governmental contracts to confirm that the requirements of subsection (2) of this section have been satisfied.

(5) As used in this section, the following definitions apply:

(a) "Ammunition" means a loaded cartridge or shot shell, case, primer, projectile, wadding, or propellant powder.

(b) (i) "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, a majority-owned subsidiary, a parent company, or an affiliate of those entities or associations that exists to make a profit.

(ii) The term does not include a sole proprietorship.

(c) (i) "Contract" means a promise or set of promises constituting an agreement between the parties that gives each a legal duty to the other and the right to seek a remedy for the breach of those duties.

(ii) This term does not include an agreement related to investment services.

(d) (i) "Discriminate against a firearm entity or firearm trade association" means, with respect to the entity or association, to:

(A) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association, which includes the lawful products and services provided by, and the lawful practices of, firearm entities and firearm trade associations;

(B) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association, which includes the lawful products and services provided by, and the lawful practices of, firearm entities and firearm trade associations; or

(C) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association, which includes the lawful products and services provided by, and the lawful practices of, firearm entities and firearm trade associations.

(ii) The term does not include the policies of a vendor, merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories.

(iii) The term also does not include a company's refusal to engage in the trade of any goods or

services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship to comply with federal, state, or local laws, policies, or regulations or a directive by a regulatory agency, or for any traditional business reason that is specific to the customer or potential customer and not based solely on the status of an entity or association as a firearm entity or firearm trade association, which includes the lawful products and services provided by, and the lawful practices of, firearm entities and firearm trade associations.

(e) "Firearm" means a weapon that expels a projectile by the action of explosive or expanding gases.

(f) "Firearm accessory" means a device specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and an item used in conjunction with or mounted on a firearm that is not essential to the basic function of the firearm. The term includes a detachable firearm magazine.

(g) "Firearm entity" means:

(i) a firearm or a firearm accessory or ammunition manufacturer, distributor, wholesaler, supplier, or retailer; or

(ii) a gun range.

(h) "Firearm trade association" means any person, corporation, unincorporated association, federation, business league, or business organization that:

(i) is not organized or operated for profit and for which none of its net earnings inures to the benefit of any private shareholder or individual;

(ii) has two or more firearm entities as members; and

(iii) is exempt from federal income taxation under section 501(a) of the Internal Revenue Code of 1986, as an organization described by section 501(c) of that code.

(i) "Governmental entity" means any branch, department, agency, or instrumentality of state government, any official or other person acting under color of state law, or any political subdivision of this state.

(j) "Sole-source provider" means a supplier who provides goods or services of a unique nature or goods or services that are solely available through the supplier and the supplier is the only practicable source to provide the goods or services.

Section 2. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 30, chapter 20, and the provisions of Title 30, chapter 20, apply to [section 1].

- END -

I hereby certify that the within bill,
HB 356, originated in the House.

Chief Clerk of the House

Speaker of the House

Signed this _____ day
of _____, 2023.

President of the Senate

Signed this _____ day
of _____, 2023.

HOUSE BILL NO. 356

INTRODUCED BY B. LER, E. BUTTREY, D. ZOLNIKOV, B. BROWN, J. HINKLE, S. GUNDERSON, F. ANDERSON, J. TREBAS, C. KNUDSEN, B. USHER, N. DURAM, J. FULLER, R. KNUDSEN, B. PHALEN, L. BREWSTER, K. ZOLNIKOV, B. MITCHELL, A. REGIER, P. FIELDER, K. SEEKINS-CROWE, C. HINKLE, R. MARSHALL, S. ESSMANN, M. YAKAWICH, T. SMITH, R. MINER, L. DEMING, C. SPRUNGER, J. BERGSTROM, G. KMETZ, P. GREEN, B. BARKER

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