

# HOUSE BILL No. 5741

April 1, 2004, Introduced by Rep. Ward and referred to the Committee on Local Government and Urban Policy.

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending sections 5, 15, 35, 43, and 54 (MCL 169.205, 169.215, 169.235, 169.243, and 169.254), section 5 as amended by 1999 PA 237, section 15 as amended by 2001 PA 250, section 35 as amended by 2000 PA 75, and section 54 as amended by 1995 PA 264, and by adding sections 48 and 48a.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 5. (1) "Domestic dependent sovereign" means an Indian  
2 tribe that has been acknowledged, recognized, restored, or  
3 reaffirmed as an Indian tribe by the secretary of the interior  
4 ~~pursuant to chapter 576, 48 Stat. 984, 25 U.S.C.~~ **under the**  
5 **Indian reorganization act, 25 USC** 461 to 463, 464 to 465, 466 to  
6 470, 471 to 472, 473, 474 to 475, 476 to 478, and 479, ~~commonly~~  
7 ~~referred to as the Indian reorganization act,~~ or has otherwise

1 been acknowledged by the United States government as an Indian  
2 tribe.

3 (2) "Election" means a primary, general, special, or millage  
4 election held in this state or a convention or caucus of a  
5 political party held in this state to nominate a candidate.  
6 Election includes a recall vote.

7 (3) "Election cycle" means 1 of the following:

8 (a) For a general election, the period beginning the day  
9 following the last general election in which the office appeared  
10 on the ballot and ending on the day of the general election in  
11 which the office next appears on the ballot.

12 (b) For a special election, the period beginning the day a  
13 special general election is called or the date the office becomes  
14 vacant, whichever is earlier, and ending on the day of the  
15 special general election.

16 (4) "Electioneering communication" means a communication to  
17 which all of the following apply:

18 (a) The communication refers to a clearly identified  
19 candidate.

20 (b) The communication is made within either of the following  
21 time periods:

22 (i) Sixty days before a general or special election.

23 (ii) Thirty days before a primary election or a convention or  
24 caucus of a political party that has authority to nominate a  
25 candidate.

26 (5) Electioneering communication does not include the  
27 following:

1 (a) A communication in a news story, commentary, or editorial  
2 distributed through the facilities of a broadcasting station,  
3 unless the facilities are owned or controlled by a candidate or a  
4 committee, other than an independent committee or a ballot  
5 question committee.

6 (b) A communication that is an expenditure or an independent  
7 expenditure.

8 (c) A communication in a candidate debate or forum conducted  
9 pursuant to rules adopted by the secretary of state, or that  
10 solely promotes such a debate or forum and is made by or on  
11 behalf of the person sponsoring the debate or forum.

12 (6) ~~-(4)-~~ "Elective office" means a public office filled by  
13 an election. A person who is appointed to fill a vacancy in a  
14 public office that is ordinarily elective holds an elective  
15 office. Elective office does not include the office of precinct  
16 delegate. Except for the purposes of sections 47, 54, and 55,  
17 elective office does not include a school board member in a  
18 school district that has a pupil membership of 2,400 or less  
19 enrolled on the most recent pupil membership count day. However,  
20 elective office includes a school board member in a school  
21 district that has a pupil membership of 2,400 or less, if a  
22 candidate committee of a candidate for the office of school board  
23 member in that school district receives an amount in excess of  
24 \$1,000.00 or expends an amount in excess of \$1,000.00. Elective  
25 office does not include a federal office except for the purposes  
26 of section 57.

27 Sec. 15. (1) The secretary of state shall do all of the

1 following:

2 (a) Make available through his or her offices, and furnish to  
3 county clerks, appropriate forms, instructions, and manuals  
4 required by this act.

5 (b) Develop a filing, coding, and cross-indexing system for  
6 the filing of required reports and statements consistent with the  
7 purposes of this act, and supervise the implementation of the  
8 filing systems by the clerks of the counties.

9 (c) Receive all statements and reports required by this act  
10 to be filed with the secretary of state.

11 (d) Prepare forms, instructions, and manuals required under  
12 this act.

13 (e) Promulgate rules and issue declaratory rulings to  
14 implement this act in accordance with the administrative  
15 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

16 (f) Upon receipt of a written request and the required  
17 filing, waive payment of a late filing fee if the request for the  
18 waiver is based on good cause and accompanied by adequate  
19 documentation. One or more of the following reasons constitute  
20 good cause for a late filing fee waiver:

21 (i) The incapacitating physical illness, hospitalization,  
22 accident involvement, death, or incapacitation for medical  
23 reasons of a person required to file, a person whose  
24 participation is essential to the preparation of the statement or  
25 report, or a member of the immediate family of these persons.

26 (ii) Other unique, unintentional factors beyond the filer's  
27 control not stemming from a negligent act or nonaction so that a

1 reasonably prudent person would excuse the filing on a temporary  
2 basis. These factors include the loss or unavailability of  
3 records due to a fire, flood, theft, or similar reason and  
4 difficulties related to the transmission of the filing to the  
5 filing official, such as exceptionally bad weather or strikes  
6 involving transportation systems.

7 (g) Within 30 days following a date on which statements from  
8 candidate committees are due under sections 33 and 35, prepare  
9 and make available to the public a report of candidates and  
10 committees that have been determined to have violated this act or  
11 the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992,  
12 that contains at least all of the following:

13 (i) The name of each violator.

14 (ii) The amount of fine assessed for the violation.

15 (iii) Whether the fine has been paid.

16 (h) Make available to the public on the internet all of the  
17 following:

18 (i) Declaratory rulings under this act.

19 (ii) Interpretive statements under this act.

20 (iii) The summary required by subsection (4).

21 (iv) The report of violations required by subdivision (g).

22 (2) A declaratory ruling shall be issued under this section  
23 only if the person requesting the ruling has provided a  
24 reasonably complete statement of facts necessary for the ruling  
25 or if the person requesting the ruling has, with the permission  
26 of the secretary of state, supplied supplemental facts necessary  
27 for the ruling. A request for a declaratory ruling that is

1 submitted to the secretary of state shall be made available for  
2 public inspection within 48 hours after its receipt. An  
3 interested person may submit written comments regarding the  
4 request to the secretary of state within 10 business days after  
5 the date the request is made available to the public. Within 45  
6 business days after receiving a declaratory ruling request, the  
7 secretary of state shall make a proposed response available to  
8 the public. An interested person may submit written comments  
9 regarding the proposed response to the secretary of state within  
10 5 business days after the date the proposal is made available to  
11 the public. Except as otherwise provided in this section, the  
12 secretary of state shall issue a declaratory ruling within  
13 60 business days after a request for a declaratory ruling is  
14 received. If the secretary of state refuses to issue a  
15 declaratory ruling, the secretary of state shall notify the  
16 person making the request of the reasons for the refusal and  
17 shall issue an interpretative statement providing an  
18 informational response to the question presented within the same  
19 time limitation applicable to a declaratory ruling. A  
20 declaratory ruling or interpretative statement issued under this  
21 section shall not state a general rule of law, other than that  
22 which is stated in this act, until the general rule of law is  
23 promulgated by the secretary of state as a rule under the  
24 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
25 24.328, or under judicial order.

26 (3) Under extenuating circumstances, the secretary of state  
27 may issue a notice extending for not more than 30 business days

1 the period during which the secretary of state shall respond to a  
2 request for a declaratory ruling. The secretary of state shall  
3 not issue more than 1 notice of extension for a particular  
4 request. A person requesting a declaratory ruling may waive, in  
5 writing, the time limitations provided by this section.

6 (4) The secretary of state shall make available to the public  
7 an annual summary of the declaratory rulings and interpretative  
8 statements issued by the secretary of state.

9 (5) A person may file with the secretary of state a complaint  
10 that alleges a violation of this act. Within 5 business days  
11 after a complaint that meets the requirements of subsection (6)  
12 is filed, the secretary of state shall give notice to the person  
13 against whom the complaint is filed. The notice shall include a  
14 copy of the complaint. Within 15 business days after this notice  
15 is provided, the person against whom the complaint was filed may  
16 submit to the secretary of state a response. The secretary of  
17 state may extend the period for submitting a response an  
18 additional 15 business days for good cause. The secretary of  
19 state shall provide a copy of a response received to the  
20 complainant. Within 10 business days after receiving a copy of  
21 the response, the complainant may submit to the secretary of  
22 state a rebuttal statement. The secretary of state may extend  
23 the period for submitting a rebuttal statement an additional 10  
24 business days for good cause. The secretary of state shall  
25 provide a copy of the rebuttal statement to the person against  
26 whom the complaint was filed.

27 (6) A complaint under subsection (5) shall satisfy all of the

1 following requirements:

2 (a) Be signed by the complainant.

3 (b) State the name, address, and telephone number of the  
4 complainant.

5 (c) Include the complainant's certification that, to the best  
6 of the complainant's knowledge, information, and belief, formed  
7 after a reasonable inquiry under the circumstances, each factual  
8 contention of the complaint is supported by evidence. However,  
9 if, after a reasonable inquiry under the circumstances, the  
10 complainant is unable to certify that certain factual contentions  
11 are supported by evidence, the complainant may certify that, to  
12 the best of his or her knowledge, information, or belief, there  
13 are grounds to conclude that those specifically identified  
14 factual contentions are likely to be supported by evidence after  
15 a reasonable opportunity for further inquiry.

16 (7) The secretary of state shall develop a form that  
17 satisfies the requirements of subsection (6) and may be used for  
18 the filing of complaints.

19 (8) A person who files a complaint with a false certificate  
20 under subsection (6)(c) is responsible for a civil violation of  
21 this act. A person may file a complaint under subsection (5)  
22 alleging that another person has filed a complaint with a false  
23 certificate under subsection (6)(c).

24 (9) The secretary of state shall investigate the allegations  
25 under the rules promulgated under this act. Every 60 days after  
26 a complaint that meets the requirements of subsection (6) is  
27 filed and until the matter is terminated, the secretary of state

1 shall mail to the complainant and to the alleged violator notice  
2 of the action taken to date by the secretary of state, together  
3 with the reasons for the action or nonaction.

4 (10) ~~If~~ **Subject to subsection (12), if** the secretary of  
5 state determines that there may be reason to believe that a  
6 violation of this act has occurred, the secretary of state shall  
7 endeavor to correct the violation or prevent a further violation  
8 by using informal methods such as a conference, conciliation, or  
9 persuasion, and may enter into a conciliation agreement with the  
10 person involved. Unless violated, a conciliation agreement is a  
11 complete bar to any further action with respect to matters  
12 covered in the conciliation agreement. If the secretary of state  
13 is unable to correct or prevent further violation by these  
14 informal methods, the secretary of state may refer the matter to  
15 the attorney general for the enforcement of a criminal penalty  
16 provided by this act or commence a hearing as provided in  
17 subsection (11).

18 (11) The secretary of state may commence a hearing to  
19 determine whether a civil violation of this act has occurred.  
20 ~~A~~ **Except as provided in subsection (12), a** hearing shall not be  
21 commenced during the period beginning 30 days before an election  
22 in which the committee has received or expended money and ending  
23 the day after that election except with the consent of the person  
24 suspected of committing a civil violation. The hearing shall be  
25 conducted in accordance with the procedures set forth in chapter  
26 4 of the administrative procedures act of 1969, 1969 PA 306,  
27 MCL 24.271 to 24.287. If after a hearing the secretary of state

1 determines that a violation of this act has occurred, the  
2 secretary of state may issue an order requiring the person to pay  
3 a civil fine ~~equal to the amount of the improper contribution or~~  
4 ~~expenditure plus not more than \$1,000.00 for each violation~~ as  
5 provided in subsection (15).

6 (12) If a complaint is filed with the secretary of state  
7 within 60 days before an election, the secretary of state  
8 determines that there may be reason to believe a violation of  
9 this act has occurred, and the secretary of state does not refer  
10 the matter to the attorney general, the secretary of state shall  
11 conduct a hearing under subsection (11) and issue a final  
12 decision and order within 10 days after a rebuttal statement is  
13 filed by the claimant under subsection (5) or the time to file a  
14 rebuttal statement has passed.

15 (13) ~~(12)~~ A final decision and order issued by the  
16 secretary of state is subject to judicial review as provided by  
17 chapter 6 of the administrative procedures act of 1969, 1969  
18 PA 306, MCL 24.301 to 24.306. The secretary of state shall  
19 deposit a civil fine imposed under this section in the general  
20 fund. The secretary of state may bring an action in circuit  
21 court to recover the amount of a civil fine.

22 (14) ~~(13)~~ When a report or statement is filed under this  
23 act, the secretary of state shall review the report or statement  
24 and may investigate an apparent violation of this act under the  
25 rules promulgated under this act. If the secretary of state  
26 determines that there may be reason to believe a violation of  
27 this act has occurred and the procedures prescribed in subsection

1 (10) have been complied with, the secretary of state may refer  
2 the matter to the attorney general for the enforcement of a  
3 criminal penalty provided by this act, or commence a hearing  
4 under subsection (11) to determine whether a civil violation of  
5 this act has occurred.

6 (15) ~~(14) Unless otherwise specified in this act, a~~ A  
7 person who violates a provision of this act is subject to a civil  
8 fine ~~of not more than \$1,000.00 for each violation. A civil~~  
9 ~~fine is~~ in addition to, but not limited by, a criminal penalty  
10 prescribed by this act. **Unless otherwise provided in this act,**  
11 **the maximum amount of the civil fine for each violation is the**  
12 **following:**

13 (a) **Unless subdivision (b) applies, \$5,000.00 or, if the**  
14 **violation involves a contribution or expenditure, the amount of**  
15 **the contribution or expenditure, whichever is greater.**

16 (b) **If the violation is knowing and willful, \$10,000.00 or,**  
17 **if the violation involves a contribution or expenditure, twice**  
18 **the amount of the contribution or expenditure, whichever is**  
19 **greater.**

20 (16) ~~(15)~~ In addition to any other sanction provided for by  
21 this act, the secretary of state may require a person who files a  
22 complaint with a false certificate under subsection (6)(c) to do  
23 either or both of the following:

24 (a) Pay to the secretary of state some or all of the expenses  
25 incurred by the secretary of state as a direct result of the  
26 filing of the complaint.

27 (b) Pay to the person against whom the complaint was filed

1 some or all of the expenses, including, but not limited to,  
2 reasonable attorney fees incurred by that person in proceedings  
3 under this act as a direct result of the filing of the  
4 complaint.

5       (17) ~~-(16)-~~ There is no private right of action, either in  
6 law or in equity, under this act. The remedies provided in this  
7 act are the exclusive means by which this act may be enforced and  
8 by which any harm resulting from a violation of this act may be  
9 redressed.

10       (18) ~~-(17)-~~ The secretary of state may waive the filing of a  
11 campaign statement required under section 33, 34, or 35 if the  
12 closing date of the particular campaign statement falls on the  
13 same or a later date as the closing date of the next campaign  
14 statement filed by the same person, or if the period that would  
15 be otherwise covered by the next campaign statement filed by the  
16 same person is 10 days or less.

17       (19) ~~-(18)-~~ The clerk of each county shall do all of the  
18 following:

19       (a) Make available through the county clerk's office the  
20 appropriate forms, instructions, and manuals required by this  
21 act.

22       (b) Under the supervision of the secretary of state,  
23 implement the filing, coding, and cross-indexing system  
24 prescribed for the filing of reports and statements required to  
25 be filed with the county clerk's office.

26       (c) Receive all statements and reports required by this act  
27 to be filed with the county clerk's office.

1 (d) Upon written request, waive the payment of a late filing  
2 fee if the request for a waiver is based on good cause as  
3 prescribed in subsection (1)(f).

4 Sec. 35. (1) In addition to any other requirements of this  
5 act for filing a campaign statement, a committee, other than an  
6 independent committee or a political committee required to file  
7 with the secretary of state, shall also file ~~a~~ **all of the**  
8 **following campaign statements:**

9 (a) A campaign statement not later than January 31 of each  
10 year. The campaign statement shall have a closing date of  
11 December 31 of the previous year. ~~The period covered by the~~  
12 ~~campaign statement filed pursuant to this subsection begins the~~  
13 ~~day after the closing date of the previous campaign statement.~~ A  
14 campaign statement ~~filed pursuant to this subsection shall be~~  
15 **required by this subdivision is** waived if a postelection campaign  
16 statement has been filed that has a filing deadline within 30  
17 days of the closing date of the campaign statement required by  
18 this ~~subsection~~ **subdivision.**

19 (b) **In each year in which the committee is not required to**  
20 **file preelection and postelection campaign statements, campaign**  
21 **statements not later than July 25 and October 25 with closing**  
22 **dates of July 20 and October 20, respectively.**

23 (2) Subsection (1) does not apply to a candidate committee  
24 for an officeholder who is a judge or a supreme court justice, or  
25 who holds an elective office for which the salary is less than  
26 \$100.00 a month and who does not receive ~~any~~ **a** contribution or  
27 make ~~any~~ **an** expenditure during the time that would be otherwise

1 covered in the statement.

2 (3) A committee, candidate, treasurer, or other individual  
3 designated as responsible for the record keeping, report  
4 preparation, or report filing for a candidate committee of a  
5 candidate for state elective office or a judicial office who  
6 fails to file a campaign statement under this section shall be  
7 assessed a late filing fee. If the committee has raised  
8 \$10,000.00 or less during the previous 2 years, the late filing  
9 fee shall be \$25.00 for each business day the campaign statement  
10 remains unfiled, but not to exceed \$500.00. If the committee has  
11 raised more than \$10,000.00 during the previous 2 years, the late  
12 filing fee shall be \$50.00 for each business day the campaign  
13 statement remains unfiled, but not to exceed \$1,000.00. The late  
14 filing fee assessed under this subsection shall be paid by the  
15 candidate, and the candidate shall not use committee funds to pay  
16 that fee. A committee, treasurer, or other individual designated  
17 as responsible for the record keeping, report preparation, or  
18 report filing for a committee other than a candidate committee of  
19 a candidate for state elective office or a judicial office who  
20 fails to file a campaign statement under this section shall pay a  
21 late filing fee of \$25.00 for each business day the campaign  
22 statement remains not filed in violation of this section. The  
23 late filing fee shall not exceed \$500.00.

24 (4) A committee filing a written statement pursuant to  
25 section 24(5) or (6) need not file a statement in accordance with  
26 subsection (1). If a committee receives or expends more than  
27 \$1,000.00 during a time period prescribed by section 24(5) or

1 (6), the committee is then subject to the campaign filing  
2 requirements under this act and shall file a campaign statement  
3 for the period beginning the day after the closing date of the  
4 last postelection campaign statement or an annual campaign  
5 statement that is waived ~~pursuant to~~ **as provided in** subsection  
6 (1), whichever occurred earlier.

7 (5) If a candidate, treasurer, or other individual designated  
8 as responsible for the record keeping, report preparation, or  
9 report filing fails to file 2 statements required by this section  
10 or section 33 and both of the statements remain unfiled for more  
11 than 30 days, that candidate, treasurer, or other designated  
12 individual is guilty of a misdemeanor, punishable by a fine of  
13 not more than \$1,000.00, or imprisonment for not more than 90  
14 days, or both.

15 (6) If a treasurer or other individual designated as  
16 responsible for the record keeping, report preparation, or report  
17 filing for a committee required to file a campaign statement  
18 under subsection (1) knowingly files an incomplete or inaccurate  
19 statement or report required by this section, that treasurer or  
20 other designated individual is subject to a civil fine of not  
21 more than \$1,000.00.

22 Sec. 43. (1) An expenditure shall not be made, other than  
23 for overhead or normal operating expenses, by an agent or an  
24 independent contractor, including an advertising agency, on  
25 behalf of or for the benefit of a person unless the expenditure  
26 is reported by the committee as if the expenditure were made  
27 directly by the committee, or unless the agent or independent

1 contractor files a report of an independent expenditure as  
2 provided in section 51. The agent or independent contractor  
3 shall make known to the committee all information required to be  
4 reported by the committee. ~~A person~~

5 (2) If a committee reports an expenditure of money paid to  
6 an agent or independent contractor and if the agent or  
7 independent contractor makes an expenditure of that money after  
8 the closing date of the campaign statement in which the committee  
9 reports the expenditure, the committee treasurer or other  
10 individual designated on the statement of organization as  
11 responsible for the committee's record keeping, report  
12 preparation, or report filing shall file an amended campaign  
13 statement that contains a detailed itemization of the expenditure  
14 made by the agent or independent contractor. An amended campaign  
15 statement required by this subsection shall be filed with the  
16 filing official within 48 hours after the expenditure is made by  
17 the agent or independent contractor.

18 (3) An individual who knowingly ~~is in violation of this~~  
19 ~~subsection~~ violates this section is guilty of a misdemeanor and  
20 shall be punished by a fine of not more than \$1,000.00, or  
21 imprisoned for not more than 90 days, or both. ~~, and if the~~ A  
22 person ~~is~~ other than an individual ~~the person~~ who knowingly  
23 violates this section shall be fined not more than \$10,000.00.

24 Sec. 48. (1) A broadcaster who accepts or provides  
25 political advertising during an election campaign shall maintain  
26 a record of all of the following with reference to the political  
27 advertising:

1 (a) The names of the persons from whom the advertising was  
2 accepted.

3 (b) The exact nature and extent of advertising services  
4 rendered.

5 (c) The consideration paid for the advertising and the  
6 manner of paying that consideration.

7 (d) If the advertising was broadcast, the rate charged for  
8 broadcast time.

9 (e) The date and time the advertising was broadcast,  
10 published, or disseminated.

11 (f) The name of the candidate to whom the communication  
12 refers and the office to which he or she is seeking election.

13 (g) The name, address, and telephone number of the purchaser  
14 of the advertising and, if the purchaser is not the candidate,  
15 the relationship of the purchaser to the candidate.

16 (2) A broadcaster shall keep a record required to be  
17 maintained under subsection (1) for 2 years from the date of  
18 broadcast, publication, or dissemination, and shall make the  
19 record available to public inspection during regular business  
20 hours.

21 (3) A person who violates this section is subject to a civil  
22 fine of not more than \$50,000.00 or 5 times the cost of the  
23 political advertising that is the subject of the violation,  
24 whichever is greater.

25 Sec. 48a. (1) In connection with a complaint alleging a  
26 violation of section 43 or 47 relating to a political  
27 advertisement, 1 or more of the following may file a request with

1 the secretary of state to issue a temporary restraining order  
2 under this section:

3 (a) A candidate.

4 (b) A political party.

5 (c) A house or senate political party caucus committee.

6 (d) A ballot question committee.

7 (e) Any other person directly affected by the  
8 advertisement.

9 (2) If the secretary of state determines that the party  
10 requesting a temporary restraining order is likely to succeed on  
11 the merits of the complaint relating to a political  
12 advertisement, the secretary of state may issue a temporary  
13 restraining order containing terms that the secretary of state  
14 determines are just. Unless a shorter time is stated in the  
15 temporary restraining order, the order shall remain in effect  
16 until a final decision or order is issued on the complaint or, if  
17 the complaint is referred to the attorney general and an action  
18 is commenced, until a final judgment is entered in the action.

19 (3) A determination by the secretary of state to issue or  
20 not to issue a temporary restraining order under this section is  
21 subject to review by the circuit court under chapter 6 of the  
22 administrative procedures act of 1969, 1969 PA 306, MCL 24.301 to  
23 24.306, as if it were a final decision or order.

24 (4) An action may be commenced in the circuit court to  
25 enforce a temporary restraining order issued under this section.

26 Sec. 54. (1) Except ~~with respect to the exceptions and~~  
27 ~~conditions~~ as provided in subsections (2) and (3) and section

1 55, and ~~to~~ **except for** loans made in the ordinary course of  
2 business, a corporation, joint stock company, domestic dependent  
3 sovereign, or labor organization shall not make a contribution or  
4 expenditure, **including, but not limited to, a contribution or**  
5 **expenditure for an electioneering communication,** or provide  
6 volunteer personal services that are excluded from the definition  
7 of a contribution ~~pursuant to~~ **under** section 4(3)(a).

8 (2) An officer, director, stockholder, attorney, agent, or  
9 any other person acting for a labor organization, a domestic  
10 dependent sovereign, or a corporation or joint stock company,  
11 whether incorporated under the laws of this or ~~any other~~  
12 **another** state or foreign country, except corporations formed for  
13 political purposes, shall not make a contribution or expenditure  
14 or provide volunteer personal services that are excluded from the  
15 definition of a contribution ~~pursuant to~~ **under** section  
16 4(3)(a).

17 (3) A corporation, joint stock company, domestic dependent  
18 sovereign, or labor organization may make a contribution to a  
19 ballot question committee subject to this act. A corporation,  
20 joint stock company, domestic dependent sovereign, or labor  
21 organization may make an independent expenditure in any amount  
22 for the qualification, passage, or defeat of a ballot question.  
23 A corporation, joint stock company, domestic dependent sovereign,  
24 or labor organization that makes an independent expenditure under  
25 this subsection is considered a ballot question committee for the  
26 purposes of this act.

27 (4) A person who knowingly violates this section is guilty of

1 a felony punishable, if the person is an individual, by a fine of  
2 not more than \$5,000.00 or imprisonment for not more than  
3 3 years, or both, or, if the person is not an individual, by a  
4 fine of not more than \$10,000.00.