

HOUSE BILL No. 4407

February 24, 2005, Introduced by Reps. Kooiman, Gosselin, Stewart and Robertson and referred to the Committee on House Oversight, Elections, and Ethics.

A bill to amend 1976 PA 388, entitled
"Michigan campaign finance act,"
by amending sections 35 and 52 (MCL 169.235 and 169.252), section
35 as amended by 2000 PA 75 and section 52 as amended by 2001 PA
250.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 35. (1) In addition to any other requirements of this act
2 for filing a campaign statement, a committee, other than an
3 independent committee or a political committee required to file
4 with the secretary of state, shall also file ~~—a—~~ **ALL OF THE**
5 **FOLLOWING CAMPAIGN STATEMENTS:**

6 **(A)** A campaign statement not later than January 31 of each

1 year. The campaign statement shall have a closing date of December
 2 31 of the previous year. ~~The period covered by the campaign~~
 3 ~~statement filed pursuant to this subsection begins the day after~~
 4 ~~the closing date of the previous campaign statement.~~ A campaign
 5 statement ~~filed pursuant to this subsection shall be~~ **REQUIRED BY**
 6 **THIS SUBDIVISION IS** waived if a postelection campaign statement has
 7 been filed that has a filing deadline within 30 days of the closing
 8 date of the campaign statement required by this ~~subsection~~
 9 **SUBDIVISION.**

10 (B) IN EACH YEAR IN WHICH A COMMITTEE IS NOT REQUIRED TO FILE
 11 PREELECTION AND POSTELECTION CAMPAIGN STATEMENTS, CAMPAIGN
 12 STATEMENTS NOT LATER THAN APRIL 30, JULY 31, AND OCTOBER 31 WITH
 13 CLOSING DATES OF MARCH 31, JUNE 30, AND SEPTEMBER 30, RESPECTIVELY.

14 (C) IN EACH YEAR IN WHICH A COMMITTEE IS REQUIRED TO FILE
 15 PREELECTION AND POSTELECTION CAMPAIGN STATEMENTS, A CAMPAIGN
 16 STATEMENT NOT LATER THAN APRIL 30 WITH A CLOSING DATE OF MARCH 31.

17 (2) Subsection (1) does not apply to a candidate committee for
 18 an officeholder who is a judge or a supreme court justice, or who
 19 holds an elective office for which the salary is less than \$100.00
 20 a month and who does not receive ~~any~~ A contribution or make ~~any~~
 21 **AN** expenditure during the time that would be otherwise covered in
 22 the statement.

23 (3) A committee, candidate, treasurer, or other individual
 24 designated as responsible for the record keeping, report
 25 preparation, or report filing for a candidate committee of a
 26 candidate for state elective office or a judicial office who fails
 27 to file a campaign statement under this section shall be assessed a

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

18 (4) A committee filing a written statement pursuant to section
19 24(5) or (6) need not file a statement in accordance with
20 subsection (1). If a committee receives or expends more than
21 \$1,000.00 during a time period prescribed by section 24(5) or (6),
22 the committee is then subject to the campaign filing requirements
23 under this act and shall file a campaign statement for the period
24 beginning the day after the closing date of the last postelection
25 campaign statement or an annual campaign statement that is waived
26 ~~pursuant to~~ **AS PROVIDED IN** subsection (1), whichever occurred
27 earlier.

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

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

16 Sec. 52. (1) Except as provided in subsection (5) or (11) and
17 subject to ~~subsection~~ **SUBSECTIONS (8) AND (13)**, a person other
18 than an independent committee or a political party committee shall
19 not make contributions to a candidate committee of a candidate for
20 elective office that, with respect to an election cycle, are more
21 than the following:

22 (a) ~~-\$3,400.00~~ **\$6,800.00** for a candidate for state elective
23 office other than the office of state legislator, or for a
24 candidate for local elective office if the district from which he
25 or she is seeking office has a population of more than 250,000.

26 (b) ~~-\$1,000.00~~ **\$2,000.00** for a candidate for state senator,
27 or for a candidate for local elective office if the district from

1 which he or she is seeking office has a population of more than
2 85,000 but 250,000 or less.

3 (c) ~~-\$500.00~~ **\$1,000.00** for a candidate for state
4 representative, or for a candidate for local elective office if the
5 district from which he or she is seeking office has a population of
6 85,000 or less.

7 (2) Except as otherwise provided in this subsection and
8 subsection (12), an independent committee shall not make
9 contributions to a candidate committee of a candidate for elective
10 office that, in the aggregate for that election cycle, are more
11 than ~~10~~ 5 times the amount permitted a person other than an
12 independent committee or political party committee in subsection
13 (1). A house political party caucus committee or a senate political
14 party caucus committee is not limited under this subsection in the
15 amount of contributions made to the candidate committee of a
16 candidate for the office of state legislator, except as follows:

17 (a) A house political party caucus committee or a senate
18 political party caucus committee shall not pay a debt incurred by a
19 candidate if that debt was incurred while the candidate was seeking
20 nomination at a primary election and the candidate was opposed at
21 that primary.

22 (b) A house political party caucus committee or a senate
23 political party caucus committee shall not make a contribution to
24 or make an expenditure on behalf of a candidate if that candidate
25 is seeking nomination at a primary election and the candidate is
26 opposed at that primary.

27 (3) A political party committee other than a state central

1 committee shall not make contributions to the candidate committee
2 of a candidate for elective office that are more than ~~10~~ 5 times
3 the amount permitted a person other than an independent committee
4 or political party committee in subsection (1).

5 (4) A state central committee of a political party shall not
6 make contributions to the candidate committee of a candidate for
7 state elective office other than a candidate for the legislature
8 that are more than ~~20~~ 10 times the amount permitted a person
9 other than an independent committee or political party committee in
10 subsection (1). A state central committee of a political party
11 shall not make contributions to the candidate committee of a
12 candidate for state senator, state representative, or local
13 elective office that are more than ~~10~~ 5 times the amount
14 permitted a person other than an independent committee or political
15 party committee in subsection (1).

16 (5) A contribution from a member of a candidate's immediate
17 family to the candidate committee of that candidate is exempt from
18 the limitations of subsection (1).

19 (6) Consistent with the provisions of this section, a
20 contribution designated in writing for a particular election cycle
21 is considered made for that election cycle. A contribution made
22 after the close of a particular election cycle and designated in
23 writing for that election cycle shall be made only to the extent
24 that the contribution does not exceed the candidate committee's net
25 outstanding debts and obligations from the election cycle so
26 designated. If a contribution is not designated in writing for a
27 particular election cycle, the contribution is considered made for

1 the election cycle that corresponds to the date of the written
2 instrument.

3 (7) A candidate committee, a candidate, or a treasurer or
4 agent of a candidate committee shall not accept a contribution with
5 respect to an election cycle that exceeds the limitations in
6 subsection (1), (2), (3), (4), (11), or (12).

7 (8) ~~The~~ **BEFORE JANUARY 1, 2007, THE** contribution limits in
8 subsection (1) for a candidate for local elective office are
9 effective on the effective date of the amendatory act that provides
10 for those contribution limits, however, only contributions received
11 by that candidate on and after that date shall be used to determine
12 if the contribution limit has been reached.

13 (9) A person who knowingly violates this section is guilty of
14 a misdemeanor punishable, if the person is an individual, by a fine
15 of not more than \$1,000.00 or imprisonment for not more than 90
16 days, or both, or, if the person is not an individual, by a fine of
17 not more than \$10,000.00.

18 (10) For purposes of the limitations provided in subsections
19 (1) and (2), all contributions made by political committees or
20 independent committees established by ~~any~~ **A** corporation, joint
21 stock company, domestic dependent sovereign, or labor organization,
22 including ~~any~~ **A** parent, subsidiary, branch, division, department,
23 or local unit thereof, shall be considered to have been made by a
24 single independent committee. ~~By way of illustration and not~~
25 ~~limitation, all~~ **ALL** of the following ~~apply as a result of the~~
26 ~~application of this requirement~~ **ARE EXAMPLES OF THE EFFECT OF THIS**
27 **SUBSECTION:**

1 (a) All of the political committees and independent committees
2 established by a for profit corporation or joint stock company, by
3 a subsidiary of the for profit corporation or joint stock company,
4 or by any combination thereof, are treated as a single independent
5 committee.

6 (b) All of the political committees and independent committees
7 established by a single national or international labor
8 organization, by a labor organization of that national or
9 international labor organization, by a local labor organization of
10 that national or international labor organization, or by any other
11 subordinate organization of that national or international labor
12 organization, or by any combination thereof, are treated as a
13 single independent committee.

14 (c) All of the political committees and independent committees
15 established by an organization of national or international unions,
16 by a state central body of that organization, by a local central
17 body of that organization, or by any combination thereof, are
18 treated as a single independent committee.

19 (d) All of the political committees and independent committees
20 established by a nonprofit corporation, by a related state entity
21 of that nonprofit corporation, by a related local entity of that
22 nonprofit corporation, or by any combination thereof, are treated
23 as a single independent committee.

24 (11) The limitation on a political committee's contributions
25 under subsection (1) does not apply to contributions that are part
26 of 1 or more bundled contributions delivered to the candidate
27 committee of a candidate for statewide elective office and that are

1 attributed to the political committee as prescribed in section 31.
2 A political committee shall not make contributions to a candidate
3 committee of a candidate for statewide elective office that are
4 part of 1 or more bundled contributions delivered to that candidate
5 committee, that are attributed to the political committee as
6 prescribed in section 31, and that, in the aggregate for that
7 election cycle, are more than the amount permitted a person other
8 than an independent committee or political party committee in
9 subsection (1).

10 (12) The limitation on an independent committee's
11 contributions under subsection (2) does not apply to contributions
12 that are part of 1 or more bundled contributions delivered to the
13 candidate committee of a candidate for statewide elective office
14 and that are attributed to the independent committee as prescribed
15 in section 31. An independent committee shall not make
16 contributions to a candidate committee of a candidate for statewide
17 elective office that are part of 1 or more bundled contributions
18 delivered to that candidate committee, that are attributed to the
19 independent committee as prescribed in section 31, and that, in the
20 aggregate for that election cycle, are more than ~~10~~ 5 times the
21 amount permitted a person other than an independent committee or
22 political party committee in subsection (1).

23 (13) BEGINNING WITH JANUARY 1, 2007, ON JANUARY 1 OF EACH YEAR
24 FOLLOWING A GUBERNATORIAL ELECTION, A CONTRIBUTION LIMIT IN
25 SUBSECTION (1) OR, FOR ADJUSTMENTS MADE AFTER 2007, THE MOST RECENT
26 CONTRIBUTION LIMIT AS ADJUSTED UNDER THIS SUBSECTION SHALL BE
27 ADJUSTED BY INCREASING OR DECREASING THE LIMIT BY THE AVERAGE

1 PERCENTAGE INCREASE OR DECREASE IN THE DETROIT CONSUMER PRICE
2 INDEX--ALL ITEMS FOR THE 4-YEAR PERIOD ENDING THE PRECEDING AUGUST.
3 THE RESULTING PRODUCT SHALL BE ROUNDED UP TO THE NEAREST \$25.00.
4 THE ADJUSTED LIMITS SHALL BE DETERMINED AND ANNOUNCED BY THE
5 SECRETARY OF STATE ON OR BEFORE DECEMBER 15 FOLLOWING EACH
6 GUBERNATORIAL ELECTION. IF THE INDEX IS UNAVAILABLE, THE SECRETARY
7 OF STATE SHALL MAKE A REASONABLE APPROXIMATION. AN ADJUSTED LIMIT
8 APPLIES ONLY TO CONTRIBUTIONS MADE DURING THE 4 YEARS FOLLOWING THE
9 ADJUSTMENT.