

SENATE BILL No. 1009

January 26, 2006, Introduced by Senators CHERRY, SWITALSKI, OLSHOVE, PATTERSON, PRUSI, EMERSON, SCHAUER, BRATER, SCOTT and CLARK-COLEMAN and referred to the Committee on Government Operations.

A bill to amend 1976 PA 388, entitled
"Michigan campaign finance act,"
by amending sections 3, 5, 7, 10, and 11 (MCL 169.203, 169.205, 169.207, 169.210, and 169.211), section 3 as amended by 1989 PA 95, section 5 as amended by 1999 PA 237, section 7 as amended by 2001 PA 250, and section 11 as amended by 1996 PA 590, and by adding sections 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 103, 105, 107, 108, and 109.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) "Candidate" means an individual ~~— (a) who files~~
2 **WHO MEETS 1 OR MORE OF THE FOLLOWING CRITERIA:**

3 **(A) FILES** a fee, **AN** affidavit of incumbency, or **A** nominating
4 petition for an elective office. ~~— (b) whose nomination~~

5 **(B) IS NOMINATED** as a candidate for elective office by a

1 political party caucus or convention **AND THE NOMINATION** is
 2 certified to the appropriate filing official. ~~—, (c) who receives~~

3 **(C) RECEIVES** a contribution, makes an expenditure, or gives
 4 consent for another person to receive a contribution or make an
 5 expenditure with a view to bringing about the individual's
 6 nomination or election to an elective office, whether or not the
 7 specific elective office for which the individual will seek
 8 nomination or election is known at the time the contribution is
 9 received or the expenditure is made. ~~—, or (d) who is~~

10 **(D) IS** an officeholder who is the subject of a recall vote.
 11 ~~Unless~~

12 **(E) HOLDS AN ELECTIVE OFFICE, UNLESS** the officeholder is
 13 constitutionally or legally barred from seeking reelection or fails
 14 to file for reelection to that office by the applicable filing
 15 deadline. ~~—, an elected officeholder shall be~~ **AN INDIVIDUAL**
 16 **DESCRIBED IN THIS SUBDIVISION IS** considered to be a candidate for
 17 reelection to that same office for the purposes of this act only.

18 **(2)** ~~For purposes of sections 61 to 71, "candidate" only means~~
 19 **"CANDIDATE" MEANS, FOR PURPOSES OF SECTIONS 61 TO 71 ONLY,** in a
 20 primary election, a candidate for the office of governor and, in a
 21 general election, a candidate for the office of governor or
 22 lieutenant governor. However, **FOR THE PURPOSES OF SECTIONS 61 TO**
 23 **71,** the candidates for the office of governor and lieutenant
 24 governor of the same political party in a general election shall be
 25 considered as 1 candidate.

26 **(3)** ~~(2)~~ "Candidate committee" means the committee designated
 27 in a candidate's filed statement of organization as that

1 individual's candidate committee. A candidate committee shall be
2 under the control and direction of the candidate named in the same
3 statement of organization. Notwithstanding subsection ~~—(4)—~~ (6), an
4 individual shall form a candidate committee ~~—pursuant to—~~ **UNDER**
5 section 21 ~~—when—~~ **IF** the individual becomes a candidate under
6 subsection (1).

7 **(4) "CERTIFIED CANDIDATE" MEANS A PARTICIPATING JUDICIAL**
8 **CANDIDATE SEEKING ELECTION TO THE SUPREME COURT WHO HAS BEEN**
9 **CERTIFIED BY THE SECRETARY OF STATE UNDER SECTION 97.**

10 (5) ~~—(3)—~~ "Closing date" means the date through which a
11 campaign statement is required to be complete.

12 (6) ~~—(4)—~~ "Committee" means a person who receives
13 contributions or makes expenditures for the purpose of influencing
14 or attempting to influence the action of the voters for or against
15 the nomination or election of a candidate, or the qualification,
16 passage, or defeat of a ballot question, if contributions received
17 total \$500.00 or more in a calendar year or expenditures made total
18 \$500.00 or more in a calendar year. An individual, other than a
19 candidate, does not constitute a committee. A person, other than a
20 committee registered under this act, making an expenditure to a
21 ballot question committee, shall **NOT**, for that reason, ~~—not—~~ be
22 considered a committee for the purposes of this act unless the
23 person solicits or receives contributions for the purpose of making
24 an expenditure to that ballot question committee.

25 Sec. 5. (1) "Domestic dependent sovereign" means an Indian
26 tribe that has been acknowledged, recognized, restored, or
27 reaffirmed as an Indian tribe by the secretary of the interior

1 ~~pursuant to~~ **UNDER THE INDIAN REORGANIZATION ACT**, chapter 576, 48
2 Stat. 984, 25 ~~U.S.C. 461 to 463, 464 to 465, 466 to 470, 471 to~~
3 ~~472, 473, 474 to 475, 476 to 478, and 479, commonly referred to as~~
4 ~~the Indian reorganization act~~ **USC 461 TO 479**, or has otherwise
5 been acknowledged by the United States government as an Indian
6 tribe.

7 (2) "Election" means a primary, general, special, or millage
8 election held in this state or a convention or caucus of a
9 political party held in this state to nominate a candidate.
10 Election includes a recall vote.

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

12 (a) For a general election, the period beginning the day
13 following the last general election in which the office appeared on
14 the ballot and ending on the day of the general election in which
15 the office next appears on the ballot.

16 (b) For a special election, the period beginning the day a
17 special general election is called or the date the office becomes
18 vacant, whichever is earlier, and ending on the day of the special
19 general election.

20 (4) **"ELECTIONEERING COMMUNICATION" MEANS AN ELECTRONIC**
21 **COMMUNICATION MADE WITHIN 30 DAYS BEFORE A PRIMARY ELECTION OR 90**
22 **DAYS BEFORE A GENERAL ELECTION THAT CONTAINS THE NAME OR IMAGE OF A**
23 **PARTICIPATING CANDIDATE AND THAT IS NOT REPORTED BY A COMMITTEE AS**
24 **AN EXPENDITURE OR INDEPENDENT EXPENDITURE.**

25 (5) ~~—(4)—~~ "Elective office" means a public office filled by an
26 election. A person who is appointed to fill a vacancy in a public
27 office that is ordinarily elective holds an elective office.

1 Elective office does not include the office of precinct delegate.
2 Except for the purposes of sections 47, 54, and 55, elective office
3 does not include a school board member in a school district that
4 has a pupil membership of 2,400 or less enrolled on the most recent
5 pupil membership count day. However, elective office includes a
6 school board member in a school district that has a pupil
7 membership of 2,400 or less, if a candidate committee of a
8 candidate for the office of school board member in that school
9 district receives an amount in excess of \$1,000.00 or expends an
10 amount in excess of \$1,000.00. Elective office does not include a
11 federal office except for the purposes of section 57.

12 Sec. 7. (1) "Filed" means the receipt by the appropriate
13 filing official of a statement or report required to be filed under
14 this act.

15 (2) "Filer" means a person required to file a statement or
16 report under this act.

17 (3) "Filing official" means the official designated under this
18 act to receive required statements and reports.

19 **(4) "FUND" MEANS THE PUBLIC CAMPAIGN FUND ESTABLISHED IN**
20 **SECTION 92.**

21 (5) ~~—(4)—~~ "Fund raising event" means an event such as a
22 dinner, reception, testimonial, rally, auction, or similar affair
23 through which contributions are solicited or received by purchase
24 of a ticket, payment of an attendance fee, making a donation, or
25 purchase of goods or services.

26 **(6) "FUNDING LAW" MEANS THE PUBLIC CAMPAIGN FUNDING LAW**
27 **ALTERNATIVE CAMPAIGN FINANCE PROVISIONS CONTAINED IN SECTIONS 91 TO**

1 109.

2 (7) ~~—(5)—~~ "Gift" means a payment, subscription, advance,
3 forbearance, rendering, or deposit of money, services, or anything
4 of value, unless consideration of equal or greater value is given
5 in exchange.

6 (8) ~~—(6)—~~ "Honorarium" means a payment of money to a person
7 holding elective office as consideration for an appearance, a
8 speech, an article, or any activity related to or associated with
9 the performance of duties as an elected official. An honorarium
10 does not include any of the following:

11 (a) Reimbursement for the cost of transportation,
12 accommodations, or meals for the person.

13 (b) Wages, salaries, other employee compensation, and expenses
14 authorized to be paid by this state or a political subdivision of
15 this state to the person holding elective office.

16 (c) An award.

17 Sec. 10. (1) "Major political party" means a political party
18 qualified to have its name listed on the general election ballot
19 whose candidate for governor received 25% or more of the popular
20 vote cast in the preceding gubernatorial election. If only 1
21 political party received 25% or more of the popular vote cast for
22 governor in the preceding gubernatorial election, then the
23 political party with the second highest vote ~~—shall be deemed—~~ **IS** a
24 major **POLITICAL** party.

25 (2) "Minor political party" means a political party qualified
26 to have its name listed on the general election ballot but ~~—which~~
27 **THAT** does not qualify as a major **POLITICAL** party.

1 (3) "Nominee" means an individual nominated to be a candidate.

2 (4) "NONPARTICIPATING JUDICIAL CANDIDATE" MEANS A CANDIDATE
3 SEEKING ELECTION TO THE SUPREME COURT WHO IS NOT A PARTICIPATING
4 JUDICIAL CANDIDATE.

5 Sec. 11. (1) "PARTICIPATING CONTRIBUTION" MEANS A CONTRIBUTION
6 TO A PARTICIPATING JUDICIAL CANDIDATE THAT MEETS ALL OF THE
7 FOLLOWING CRITERIA:

8 (A) DOES NOT EXCEED \$500.00.

9 (B) IS MADE DURING THE PARTICIPATING CONTRIBUTION PERIOD.

10 (C) IS ACKNOWLEDGED BY A WRITTEN RECEIPT THAT IDENTIFIES THE
11 NAME AND ADDRESS OF THE CONTRIBUTOR ON A FORM PROVIDED BY THE
12 SECRETARY OF STATE.

13 (2) "PARTICIPATING CONTRIBUTION PERIOD" MEANS THE TIME PERIOD
14 THAT BEGINS FEBRUARY 15 OF THE ELECTION YEAR AND ENDS AT 5 P.M. ON
15 AUGUST 31 OF THE ELECTION YEAR.

16 (3) "PARTICIPATING JUDICIAL CANDIDATE" MEANS A CANDIDATE WHO
17 IS SEEKING ELECTION TO THE SUPREME COURT, WHO CHOOSES TO
18 PARTICIPATE UNDER THE FUNDING LAW, AND WHO IS SEEKING TO BE A
19 CERTIFIED CANDIDATE.

20 (4) ~~—(1)—~~ "Person" means a business, individual,
21 proprietorship, firm, partnership, joint venture, syndicate,
22 business trust, labor organization, company, corporation,
23 association, committee, or any other organization or group of
24 persons acting jointly.

25 (5) ~~—(2)—~~ "Political committee" means a committee that is not
26 a candidate committee, political party committee, independent
27 committee, or ballot question committee.

1 (6) ~~—(3)—~~ "Political merchandise" means goods such as bumper
 2 stickers, pins, hats, beverages, literature, or other items sold by
 3 a person at a fund raiser or to the general public for publicity or
 4 for the purpose of raising ~~—funds—~~ **MONEY** to be used in supporting
 5 or opposing a candidate for nomination for or election to an
 6 elective office or in supporting or opposing the qualification,
 7 passage, or defeat of a ballot question.

8 (7) ~~—(4)—~~ "Political party" means a political party ~~—which~~
 9 **THAT** has a right under law to have the names of its candidates
 10 listed on the ballot in a general election.

11 (8) ~~—(5)—~~ "Political party committee" means a state central,
 12 district, or county committee of a political party ~~—which—~~ **THAT** is
 13 a committee. Each state central committee shall designate the
 14 official party county and district committees. There shall not be
 15 more than 1 officially designated political party committee per
 16 county and per congressional district.

17 (9) ~~—(6)—~~ "Public body" means 1 or more of the following:

18 (a) A state agency, department, division, bureau, board,
 19 commission, council, authority, or other body in the executive
 20 branch of state government.

21 (b) The legislature or an agency, board, commission, or
 22 council in the legislative branch of state government.

23 (c) A county, city, township, village, intercounty, intercity,
 24 or regional governing body; a council, school district, special
 25 district, or municipal corporation; or a board, department,
 26 commission, or council or an agency of a board, department,
 27 commission, or council.

1 (d) Any other body that is created by state or local authority
2 or is primarily funded by or through state or local authority,
3 ~~which~~ IF THE body exercises governmental or proprietary authority
4 or performs a governmental or proprietary function.

5 SEC. 91. (1) THIS SECTION AND SECTIONS 92 TO 109 SHALL BE
6 KNOWN AND MAY BE CITED AS THE "PUBLIC CAMPAIGN FUNDING LAW".

7 (2) THE PUBLIC CAMPAIGN FUNDING LAW ESTABLISHES AN ALTERNATIVE
8 CAMPAIGN FINANCING OPTION AVAILABLE TO A CERTIFIED CANDIDATE. THIS
9 ALTERNATIVE CAMPAIGN FINANCING OPTION IS AVAILABLE TO A CANDIDATE
10 FOR AN ELECTION FOR THE SUPREME COURT HELD IN THIS STATE AFTER
11 JANUARY 1, 2006.

12 (3) THE SECRETARY OF STATE AND THE DEPARTMENT OF TREASURY
13 SHALL ADMINISTER THE PUBLIC CAMPAIGN FUNDING LAW. THE STATE
14 TREASURER SHALL ADMINISTER THE FUND UNDER THIS ACT.

15 SEC. 92. (1) THE PUBLIC CAMPAIGN FUND IS ESTABLISHED TO
16 FINANCE THE ELECTION CAMPAIGNS OF CERTIFIED CANDIDATES. THE FUND
17 SHALL PAY ADMINISTRATIVE COSTS OF THE DEPARTMENTS OF TREASURY AND
18 STATE AND ENFORCEMENT COSTS OF THE DEPARTMENT OF STATE RELATED TO
19 THE PUBLIC CAMPAIGN FUNDING LAW.

20 (2) THE FUND IS A SPECIAL, DEDICATED, NONLAPSING FUND.
21 INTEREST GENERATED BY THE FUND IS CREDITED TO THE FUND.

22 (3) THE STATE TREASURER SHALL DEPOSIT ALL OF THE FOLLOWING
23 INTO THE FUND:

24 (A) REVENUE UNDER SECTION 93.

25 (B) MONEY THAT WAS DISTRIBUTED TO A CERTIFIED CANDIDATE AND
26 THAT REMAINS UNSPENT AFTER THE GENERAL ELECTION.

27 (C) MONEY THAT WAS DISTRIBUTED TO A CERTIFIED CANDIDATE AND

1 THAT IS UNSPENT BECAUSE THE CANDIDATE DOES NOT REMAIN A CANDIDATE
2 THROUGHOUT THE GENERAL ELECTION CYCLE.

3 (D) A VOLUNTARY DONATION MADE DIRECTLY TO THE FUND.

4 (E) A FINE COLLECTED UNDER SECTION 108.

5 (4) ON OR BEFORE THE SEPTEMBER 1 IMMEDIATELY BEFORE A YEAR IN
6 WHICH THERE WILL BE A SUPREME COURT ELECTION, THE SECRETARY OF
7 STATE SHALL PUBLISH AN ESTIMATE OF MONEY IN THE FUND AVAILABLE FOR
8 DISTRIBUTION TO CERTIFIED CANDIDATES DURING THE UPCOMING YEAR'S
9 ELECTIONS.

10 SEC. 93. (1) AN INDIVIDUAL WHOSE TAX LIABILITY UNDER THE
11 INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.1 TO 206.532, FOR A
12 TAXABLE YEAR IS \$3.00 OR MORE MAY OPT NOT TO HAVE \$3.00 CREDITED TO
13 THE FUND. IN THE CASE OF A JOINT RETURN OF HUSBAND AND WIFE HAVING
14 AN INCOME TAX LIABILITY OF \$6.00 OR MORE, EACH SPOUSE MAY OPT NOT
15 TO HAVE \$3.00 CREDITED TO THE FUND. THE STATE TREASURER SHALL
16 CREDIT TO THE FUND \$3.00 FOR EACH INDIVIDUAL WHO DOES NOT EXERCISE
17 HIS OR HER OPTION.

18 (2) THE TAX DESIGNATION AUTHORIZED IN THIS SECTION SHALL BE
19 CLEARLY AND UNAMBIGUOUSLY PRINTED ON THE FIRST PAGE OF THE STATE
20 INDIVIDUAL INCOME TAX RETURN.

21 (3) AN AMOUNT EQUAL TO THE CUMULATIVE AMOUNTS CREDITED UNDER
22 SUBSECTION (1) EACH YEAR SHALL BE APPROPRIATED ANNUALLY FROM THE
23 GENERAL FUND OF THIS STATE TO THE FUND TO BE AVAILABLE BEGINNING
24 JANUARY 1 AND CONTINUING THROUGH DECEMBER 31 OF EACH ELECTION YEAR.

25 SEC. 94. (1) TO BE ELIGIBLE FOR CERTIFICATION, A PARTICIPATING
26 JUDICIAL CANDIDATE SHALL MEET BOTH OF THE FOLLOWING REQUIREMENTS:

27 (A) HE OR SHE SHALL ACCEPT CONTRIBUTIONS AND MAKE EXPENDITURES

1 ONLY DURING THE PARTICIPATING CONTRIBUTION PERIOD.

2 (B) HE OR SHE SHALL NOT MAKE OR CAUSE AN EXPENDITURE TO BE
3 MADE FROM PRIVATE MONEY DEPOSITED TO HIS OR HER CANDIDATE COMMITTEE
4 DURING THE CURRENT ELECTION CYCLE AND BEFORE FILING A DECLARATION
5 OF INTENT UNDER SUBSECTION (3).

6 (2) A CERTIFIED CANDIDATE SHALL NOT ACCEPT OR SPEND A
7 PARTICIPATING CONTRIBUTION AFTER CERTIFICATION.

8 (3) A PARTICIPATING JUDICIAL CANDIDATE SHALL FILE A
9 DECLARATION OF INTENT TO SEEK CERTIFICATION UNDER SECTION 97 AND TO
10 COMPLY WITH THE REQUIREMENTS OF THE PUBLIC CAMPAIGN FUNDING LAW.
11 USING FORMS AND PROCEDURES DEVELOPED BY THE SECRETARY OF STATE, THE
12 CANDIDATE SHALL FILE THE DECLARATION OF INTENT WITH THE SECRETARY
13 OF STATE BEFORE OR DURING THE PARTICIPATING CONTRIBUTION PERIOD,
14 EXCEPT AS OTHERWISE PROVIDED BY RULE FOR A SPECIAL ELECTION,
15 VACANCY, RECOUNT, WITHDRAWAL, OR REPLACEMENT. A PARTICIPATING
16 JUDICIAL CANDIDATE SHALL FILE A DECLARATION OF INTENT BEFORE
17 ACCEPTING A PARTICIPATING CONTRIBUTION.

18 SEC. 95. (1) AFTER BECOMING A CANDIDATE AND BEFORE BECOMING A
19 CERTIFIED CANDIDATE, A PARTICIPATING JUDICIAL CANDIDATE SHALL NOT
20 ACCEPT A CONTRIBUTION EXCEPT FOR A PARTICIPATING CONTRIBUTION.

21 (2) AS 1 REQUIREMENT FOR BECOMING A CERTIFIED CANDIDATE, A
22 PARTICIPATING JUDICIAL CANDIDATE SHALL OBTAIN PARTICIPATING
23 CONTRIBUTIONS DURING THE PARTICIPATING CONTRIBUTION PERIOD IN THE
24 AMOUNT OF \$50,000.00 OR MORE.

25 (3) A PAYMENT, GIFT, OR ANYTHING OF VALUE SHALL NOT BE GIVEN
26 IN EXCHANGE FOR A PARTICIPATING CONTRIBUTION.

27 SEC. 96. A PARTICIPATING JUDICIAL CANDIDATE SHALL SUBMIT A

1 PARTICIPATING CONTRIBUTION AND EXPENDITURE REPORT TO THE SECRETARY
2 OF STATE AFTER THE PARTICIPATING CONTRIBUTION PERIOD IN COMPLIANCE
3 WITH RULES PROMULGATED BY THE SECRETARY OF STATE.

4 SEC. 97. (1) UPON RECEIPT OF A PARTICIPATING CONTRIBUTION AND
5 EXPENDITURE REPORT BY A PARTICIPATING JUDICIAL CANDIDATE, THE
6 SECRETARY OF STATE SHALL DETERMINE IF THE CANDIDATE HAS MET ALL OF
7 THE FOLLOWING REQUIREMENTS FOR CERTIFICATION:

8 (A) SIGNED AND FILED A DECLARATION OF INTENT TO PARTICIPATE
9 UNDER THE PUBLIC CAMPAIGN FUNDING LAW.

10 (B) COLLECTED PARTICIPATING CONTRIBUTIONS IN THE AMOUNT OF
11 \$50,000.00 OR MORE.

12 (C) DID NOT ACCEPT CONTRIBUTIONS, EXCEPT FOR PARTICIPATING
13 CONTRIBUTIONS.

14 (D) DID NOT MAKE OR CAUSE AN EXPENDITURE TO BE MADE FROM
15 PRIVATE MONEY DEPOSITED IN HIS OR HER CANDIDATE COMMITTEE DURING
16 THE CURRENT ELECTION CYCLE AND BEFORE FILING A DECLARATION OF
17 INTENT TO PARTICIPATE UNDER THE FUNDING LAW.

18 (E) WAS NOMINATED AT A POLITICAL PARTY'S FALL CONVENTION AS
19 PROVIDED BY SECTION 392 OF THE MICHIGAN ELECTION LAW, 1954 PA 116,
20 MCL 168.392, FILED A QUALIFYING PETITION FOR THE OFFICE OF SUPREME
21 COURT JUSTICE IN COMPLIANCE WITH CHAPTER XXIVA OF THE MICHIGAN
22 ELECTION LAW, 1954 PA 116, MCL 168.590 TO 168.590H, OR IS AN
23 INCUMBENT SUPREME COURT JUSTICE WHO HAS FILED AN AFFIDAVIT OF
24 CANDIDACY UNDER SECTION 392A OF THE MICHIGAN ELECTION LAW, 1954 PA
25 116, MCL 168.392A.

26 (2) THE SECRETARY OF STATE SHALL CERTIFY A PARTICIPATING
27 JUDICIAL CANDIDATE WHO COMPLIES WITH THE REQUIREMENTS OF THIS

1 SECTION AS SOON AS POSSIBLE AND NO LATER THAN 3 DAYS AFTER THE
2 REQUIREMENTS OF SUBSECTION (1) ARE MET. THE SECRETARY OF STATE
3 SHALL NOTIFY A CANDIDATE WHO HAS NOT COMPLIED WITH THE REQUIREMENTS
4 OF THIS SECTION THAT HE OR SHE IS BEING DENIED CERTIFICATION AND
5 EACH REASON FOR THAT DENIAL AS SOON AS POSSIBLE AND NO LATER THAN 3
6 DAYS AFTER THE SUBMISSION OF A PARTICIPATING CONTRIBUTION AND
7 EXPENDITURE REPORT.

8 SEC. 98. (1) A CERTIFIED CANDIDATE SHALL LIMIT THE CERTIFIED
9 CANDIDATE'S CAMPAIGN EXPENDITURES AND OBLIGATIONS, INCLUDING
10 OUTSTANDING OBLIGATIONS, TO THE PARTICIPATING CONTRIBUTIONS
11 RECEIVED DURING THE PARTICIPATING CONTRIBUTION PERIOD AND THE MONEY
12 DISTRIBUTED TO THE CERTIFIED CANDIDATE FROM THE FUND. A CERTIFIED
13 CANDIDATE SHALL NOT ACCEPT A CONTRIBUTION AFTER THE CONCLUSION OF
14 THE PARTICIPATING CONTRIBUTION PERIOD UNLESS SPECIFICALLY
15 AUTHORIZED BY THE SECRETARY OF STATE.

16 (2) A CERTIFIED CANDIDATE SHALL USE THE MONEY UNDER SUBSECTION
17 (1) ONLY FOR CAMPAIGN-RELATED PURPOSES PERMITTED BY THE SECRETARY
18 OF STATE PROCEDURES. THE SECRETARY OF STATE SHALL PUBLISH
19 PROCEDURES OUTLINING PERMISSIBLE CAMPAIGN-RELATED EXPENDITURES.

20 SEC. 99. (1) THE SECRETARY OF STATE SHALL DIRECT THE STATE
21 TREASURER TO DISTRIBUTE TO CERTIFIED CANDIDATES MONEY IN AMOUNTS
22 DETERMINED UNDER SECTION 100 WITHIN 3 DAYS AFTER CERTIFICATION.

23 (2) THE STATE TREASURER SHALL DISTRIBUTE MONEY FROM THE FUND
24 TO CERTIFIED CANDIDATES UNDER THIS SECTION BY A MECHANISM THAT IS
25 EXPEDITIOUS, ENSURES ACCOUNTABILITY, AND SAFEGUARDS THE INTEGRITY
26 OF THE FUND.

27 SEC. 100. (1) ON OR BEFORE JULY 1, 2006, AND ON OR BEFORE JULY

1 1 OF EACH SECOND YEAR AFTER 2006 IN WHICH THERE IS A CONTESTED
2 ELECTION FOR SUPREME COURT JUSTICE, THE SECRETARY OF STATE SHALL
3 DETERMINE THE AMOUNT OF MONEY TO BE DISTRIBUTED TO EACH CERTIFIED
4 CANDIDATE. THE AMOUNT IS THE AVERAGE AMOUNT OF CAMPAIGN
5 EXPENDITURES MADE BY THE CANDIDATES FOR ELECTION TO THE OFFICE OF
6 SUPREME COURT JUSTICE DURING CONTESTED GENERAL ELECTION RACES FOR
7 THE 2 GENERAL ELECTIONS IMMEDIATELY BEFORE THE CURRENT GENERAL
8 ELECTION, AS REPORTED IN THE POSTELECTION CAMPAIGN STATEMENTS FILED
9 FOR THE GENERAL ELECTION. CAMPAIGN EXPENDITURES OF CANDIDATES NOT
10 REQUIRED TO FILE CAMPAIGN STATEMENTS UNDER SECTION 33(6) SHALL NOT
11 BE USED IN CALCULATING THE AVERAGE.

12 (2) IF THE 2 ELECTION CYCLES IMMEDIATELY BEFORE THE CURRENT
13 ELECTION CYCLE DO NOT CONTAIN SUFFICIENT ELECTORAL DATA, THE
14 SECRETARY OF STATE SHALL USE INFORMATION FROM THE MOST RECENT
15 RELEVANT ELECTIONS.

16 SEC. 101. (1) THE SECRETARY OF STATE SHALL REVIEW ALL OF THE
17 FOLLOWING TO MAKE THE DETERMINATION REQUIRED BY SUBSECTION (2):

18 (A) EACH CAMPAIGN STATEMENT FILED BY THE CANDIDATE COMMITTEE
19 OF A CERTIFIED CANDIDATE.

20 (B) ALL INDEPENDENT EXPENDITURE REPORTS FILED UNDER SECTION 51
21 THAT REPORT AN INDEPENDENT EXPENDITURE ADVOCATING THE ELECTION OF
22 THE CERTIFIED CANDIDATE OR THE DEFEAT OF THE CERTIFIED CANDIDATE'S
23 OPPONENTS.

24 (C) ALL DOCUMENTS THAT SHOW VERIFIABLE EXPENDITURES FOR
25 ELECTIONEERING COMMUNICATIONS ADVOCATING THE ELECTION OF THE
26 CERTIFIED CANDIDATE OR THE DEFEAT OF THE CERTIFIED CANDIDATE'S
27 OPPONENTS.

1 (2) FROM THE DOCUMENTS REVIEWED UNDER SUBSECTION (1), THE
2 SECRETARY OF STATE SHALL DETERMINE WHETHER THE AMOUNT DISTRIBUTED
3 TO EACH CERTIFIED CANDIDATE UNDER SECTION 100 IS LESS THAN THE SUM
4 OF THE FOLLOWING:

5 (A) THE GREATER OF THE FOLLOWING:

6 (i) TOTAL EXPENDITURES OF THE CANDIDATE COMMITTEE OF THE
7 CERTIFIED CANDIDATE, INCLUDING, BUT NOT LIMITED TO, IN-KIND
8 EXPENDITURES.

9 (ii) TOTAL CONTRIBUTIONS TO THE CANDIDATE COMMITTEE OF THE
10 CERTIFIED CANDIDATE, INCLUDING, BUT NOT LIMITED TO, IN-KIND
11 CONTRIBUTIONS.

12 (B) TOTAL DEBTS AND OBLIGATIONS OWED BY THE COMMITTEE OF THE
13 CERTIFIED CANDIDATE.

14 (C) THE TOTAL OF ALL INDEPENDENT EXPENDITURES ADVOCATING THE
15 ELECTION OF THE CERTIFIED CANDIDATE OR THE DEFEAT OF THE CERTIFIED
16 CANDIDATE'S OPPONENTS.

17 (D) THE TOTAL OF ALL EXPENDITURES FOR ELECTIONEERING
18 COMMUNICATIONS ADVOCATING THE ELECTION OF THE CERTIFIED CANDIDATE
19 OR THE DEFEAT OF THE CERTIFIED CANDIDATE'S OPPONENTS.

20 (3) IF THE SECRETARY OF STATE DETERMINES THAT THE AMOUNT
21 DISTRIBUTED UNDER SECTION 100 HAS BEEN EXCEEDED AS DESCRIBED IN
22 SUBSECTION (2), THE SECRETARY OF STATE SHALL IMMEDIATELY ISSUE TO
23 EACH OPPOSING CERTIFIED CANDIDATE AN ADDITIONAL AMOUNT FROM THE
24 FUND, SUBJECT TO SUBSECTION (6), EQUAL TO THE EXCESS.

25 (4) THE SECRETARY OF STATE SHALL REVIEW ALL DOCUMENTS THAT
26 SHOW ANY OF THE FOLLOWING MADE AFTER THE CLOSING DATE OF THE MOST
27 RECENT PREELECTION CAMPAIGN STATEMENT OF THE CANDIDATE COMMITTEE OF

1 A CERTIFIED CANDIDATE TO MAKE THE DETERMINATION UNDER SUBSECTION
2 (5):

3 (A) A VERIFIABLE CONTRIBUTION TO THE CERTIFIED CANDIDATE.

4 (B) A VERIFIABLE INDEPENDENT EXPENDITURE ADVOCATING THE
5 ELECTION OF THE CERTIFIED CANDIDATE OR THE DEFEAT OF THE CERTIFIED
6 CANDIDATE'S OPPONENTS.

7 (C) A VERIFIABLE EXPENDITURE FOR AN ELECTIONEERING
8 COMMUNICATION ADVOCATING THE ELECTION OF THE CERTIFIED CANDIDATE OR
9 THE DEFEAT OF THE CERTIFIED CANDIDATE'S OPPONENTS.

10 (5) FROM THE DOCUMENTS REVIEWED UNDER SUBSECTION (4), THE
11 SECRETARY OF STATE SHALL DETERMINE WHETHER THE TOTAL OF ALL
12 VERIFIABLE CONTRIBUTIONS AND EXPENDITURES EXCEEDS THE TOTAL OF ALL
13 OF THE FOLLOWING, AND IF SO SHALL IMMEDIATELY ISSUE TO EACH
14 OPPOSING CERTIFIED CANDIDATE AN ADDITIONAL AMOUNT FROM THE FUND,
15 SUBJECT TO SUBSECTION (6), EQUAL TO THE EXCESS:

16 (A) PARTICIPATING CONTRIBUTIONS TO THE CERTIFIED CANDIDATE.

17 (B) DISTRIBUTIONS TO THE CERTIFIED CANDIDATE UNDER SECTION 100
18 AND THIS SECTION.

19 (6) AN ADDITIONAL AMOUNT PROVIDED TO AN OPPOSING CERTIFIED
20 CANDIDATE UNDER THIS SECTION SHALL NOT EXCEED 3 TIMES THE AMOUNT
21 ORIGINALLY DISTRIBUTED UNDER SECTION 100.

22 SEC. 103. (1) A CERTIFIED CANDIDATE OR PARTICIPATING JUDICIAL
23 CANDIDATE SHALL REPORT EACH CONTRIBUTION AND EXPENDITURE,
24 OBLIGATION, AND RELATED ACTIVITY TO THE SECRETARY OF STATE
25 ACCORDING TO PROCEDURES DEVELOPED BY THE SECRETARY OF STATE. UPON
26 THE FILING OF A FINAL REPORT AFTER THE GENERAL ELECTION, THE
27 CANDIDATE SHALL RETURN UNSPENT MONEY TO THE SECRETARY OF STATE FOR

1 DEPOSIT IN THE FUND.

2 (2) IN DEVELOPING THE PROCEDURES UNDER SUBSECTION (1), THE
3 SECRETARY OF STATE SHALL UTILIZE EXISTING CAMPAIGN REPORTING
4 PROCEDURES, WHENEVER PRACTICABLE. THE SECRETARY OF STATE SHALL
5 ENSURE TIMELY PUBLIC ACCESS TO CAMPAIGN FINANCE DATA AND SHALL
6 UTILIZE ELECTRONIC MEANS OF REPORTING AND STORING INFORMATION. THE
7 SECRETARY OF STATE SHALL DEVELOP AND MAKE AVAILABLE TO A CERTIFIED
8 OR PARTICIPATING JUDICIAL CANDIDATE THE NECESSARY SOFTWARE FOR
9 FILING THE REPORTS REQUIRED UNDER THE PUBLIC CAMPAIGN FUNDING LAW
10 BY ELECTRONIC MEANS.

11 SEC. 105. (1) A CANDIDATE WHO IS DENIED CERTIFICATION AS A
12 CERTIFIED CANDIDATE OR THE OPPONENT OF A CANDIDATE WHO IS GRANTED
13 CERTIFICATION AS A CERTIFIED CANDIDATE MAY CHALLENGE A
14 CERTIFICATION DECISION BY THE SECRETARY OF STATE. A CHALLENGE SHALL
15 BE CONDUCTED IN ACCORDANCE WITH THE FOLLOWING PROCEDURE:

16 (A) THE CHALLENGER SHALL APPEAL TO THE SECRETARY OF STATE
17 WITHIN 3 DAYS AFTER THE CERTIFICATION DECISION. THE CHALLENGER
18 SHALL APPEAL IN WRITING AND SHALL STATE THE REASONS FOR THE APPEAL.

19 (B) WITHIN 5 DAYS AFTER AN APPEAL IS PROPERLY MADE AND AFTER
20 NOTICE IS GIVEN TO THE CHALLENGER AND EACH OPPONENT, THE SECRETARY
21 OF STATE SHALL HOLD A HEARING. THE CHALLENGER HAS THE BURDEN OF
22 PROVIDING EVIDENCE TO DEMONSTRATE THAT THE SECRETARY OF STATE'S
23 DECISION WAS IMPROPER. THE SECRETARY OF STATE SHALL RULE ON THE
24 APPEAL WITHIN 3 DAYS AFTER THE COMPLETION OF THE HEARING.

25 (C) A CHALLENGER OR CANDIDATE MAY APPEAL THE DECISION OF THE
26 SECRETARY OF STATE UNDER SUBDIVISION (B) BY COMMENCING AN ACTION IN
27 THE COURT OF CLAIMS.

1 (D) A CANDIDATE WHOSE DETERMINATION BY THE SECRETARY OF STATE
2 AS A CERTIFIED CANDIDATE IS REVOKED ON APPEAL SHALL RETURN TO THE
3 SECRETARY OF STATE THE UNSPENT MONEY DISTRIBUTED FROM THE FUND.

4 (E) IF THE SECRETARY OF STATE OR COURT OF CLAIMS FINDS THAT AN
5 APPEAL WAS MADE FRIVOLOUSLY OR TO CAUSE DELAY OR HARDSHIP, THE
6 SECRETARY OF STATE OR COURT MAY REQUIRE THE MOVING PARTY TO PAY
7 COSTS OF THE SECRETARY OF STATE, COURT, AND EACH OPPOSING PARTY, IF
8 ANY.

9 (2) THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306,
10 MCL 24.201 TO 24.328, APPLIES TO PROCEEDINGS UNDER THIS SECTION.

11 SEC. 107. THE SECRETARY OF STATE SHALL ADOPT RULES UNDER THE
12 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO
13 24.328, TO ENSURE EFFECTIVE ADMINISTRATION OF THE FUNDING LAW. THE
14 SECRETARY OF STATE SHALL ADOPT RULES INCLUDING, BUT NOT LIMITED TO,
15 PROCEDURES FOR ALL OF THE FOLLOWING:

16 (A) OBTAINING PARTICIPATING CONTRIBUTIONS.

17 (B) CERTIFICATION UNDER SECTION 97.

18 (C) CIRCUMSTANCES INVOLVING A SPECIAL ELECTION, VACANCY,
19 RECOUNT, WITHDRAWAL, OR REPLACEMENT.

20 (D) COLLECTION OF MONEY FOR THE FUND.

21 (E) DISTRIBUTION OF MONEY TO A CERTIFIED CANDIDATE.

22 (F) RETURN OF AN UNSPENT FUND DISBURSEMENT.

23 (G) COMPLIANCE WITH THE PUBLIC CAMPAIGN FUNDING LAW.

24 SEC. 108. (1) A PERSON WHO VIOLATES A PROVISION OF THE FUNDING
25 LAW IS SUBJECT TO A CIVIL FINE NOT TO EXCEED \$10,000.00 PER
26 VIOLATION. THIS SANCTION IS RECOVERABLE IN A CIVIL ACTION. A FINE
27 PAID UNDER THIS SECTION SHALL BE DEPOSITED IN THE FUND.

1 (2) IN ADDITION TO A FINE, FOR GOOD CAUSE SHOWN, A CERTIFIED
2 CANDIDATE FOUND IN VIOLATION OF THE PUBLIC CAMPAIGN FUNDING LAW MAY
3 BE REQUIRED TO REIMBURSE THE FUND FOR MONEY DISTRIBUTED TO THE
4 CERTIFIED CANDIDATE FROM THE FUND.

5 (3) IF THE SECRETARY OF STATE MAKES A DETERMINATION THAT A
6 VIOLATION OF THE PUBLIC CAMPAIGN FUNDING LAW HAS OCCURRED, THE
7 SECRETARY OF STATE SHALL ASSESS A FINE AND TRANSMIT THE FINDING TO
8 THE ATTORNEY GENERAL FOR A DECISION REGARDING PROSECUTION.

9 (4) A PERSON WHO KNOWINGLY VIOLATES THE PUBLIC CAMPAIGN
10 FUNDING LAW OR RULES PROMULGATED BY THE SECRETARY OF STATE OR WHO
11 KNOWINGLY MAKES A FALSE STATEMENT IN A REPORT REQUIRED BY THE
12 PUBLIC CAMPAIGN FUNDING LAW IS GUILTY OF A MISDEMEANOR PUNISHABLE,
13 IF THE PERSON IS AN INDIVIDUAL, BY A FINE OF NOT MORE THAN
14 \$1,000.00 OR IMPRISONMENT FOR NOT MORE THAN 90 DAYS, OR BOTH, OR,
15 IF THE PERSON IS NOT AN INDIVIDUAL, BY A FINE OF NOT MORE THAN
16 \$10,000.00. IF THE PERSON DESCRIBED IN THIS SUBSECTION IS A
17 CERTIFIED CANDIDATE, THAT PERSON SHALL REIMBURSE THE FUND THE MONEY
18 DISTRIBUTED TO THE CERTIFIED CANDIDATE.

19 (5) THE PENALTIES AND REMEDIES UNDER THE PUBLIC CAMPAIGN
20 FUNDING LAW ARE CUMULATIVE AND INDEPENDENT AND THE USE OF PENALTIES
21 OR REMEDIES, OR BOTH, UNDER THE PUBLIC CAMPAIGN FUNDING LAW DOES
22 NOT PROHIBIT THE PROSECUTION OF, OR AN ACTION TO RECOVER DAMAGES
23 FOR, CONDUCT PROSCRIBED UNDER THE PUBLIC CAMPAIGN FUNDING LAW OR
24 ANOTHER APPLICABLE LAW.

25 SEC. 109. ON OR BEFORE JANUARY 30, 2007, AND ON OR BEFORE
26 JANUARY 30 IN EVERY SECOND YEAR AFTER 2007, THE SECRETARY OF STATE
27 SHALL PREPARE FOR THE COMMITTEES OF BOTH HOUSES OF THE LEGISLATURE

1 WITH JURISDICTION OVER MATTERS RELATING TO CAMPAIGNS AND ELECTIONS
2 A REPORT DOCUMENTING, EVALUATING, AND MAKING RECOMMENDATIONS
3 RELATING TO THE ADMINISTRATION, IMPLEMENTATION, AND ENFORCEMENT OF
4 THE PUBLIC CAMPAIGN FUNDING LAW AND THE FUND.