

SENATE BILL No. 582

October 10, 1989, Introduced by Senators SEDERBURG, DE GROW, EHLERS, IRWIN and DI NELLO and referred to the Committee on Government Operations.

A bill to amend sections 4, 6, 7, 22, 24, 26, 28, 29, 33, 35, 41, 42, 44, and 45 of Act No. 388 of the Public Acts of 1976, entitled

"Michigan campaign finance act,"

sections 4, 6, 22, 24, 26, 28, 29, 33, 35, 42, and 44 as amended by Act No. 95 of the Public Acts of 1989, being sections 169.204, 169.206, 169.207, 169.222, 169.224, 169.226, 169.228, 169.229, 169.233, 169.235, 169.241, 169.242, 169.244, and 169.245 of the Michigan Compiled Laws; to add section 50; and to repeal certain acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 4, 6, 7, 22, 24, 26, 28, 29, 33, 35,
2 41, 42, 44, and 45 of Act No. 388 of the Public Acts of 1976,
3 sections 4, 6, 22, 24, 26, 28, 29, 33, 35, 42, and 44 as amended
4 by Act No. 95 of the Public Acts of 1989, being sections 169.204,

1 169.206, 169.207, 169.222, 169.224, 169.226, 169.228, 169.229,
2 169.233, 169.235, 169.241, 169.242, 169.244, and 169.245 of the
3 Michigan Compiled Laws, are amended and section 50 is added to
4 read as follows:

5 Sec. 4. (1) "Contribution" means a payment, gift, subscrip-
6 tion, assessment, expenditure, contract, payment for services,
7 dues, advance, forbearance, loan, or donation of money or any-
8 thing of ascertainable monetary value, or a transfer of anything
9 of ascertainable monetary value to a person, made for the purpose
10 of influencing the nomination or election of a candidate, or for
11 the qualification, passage, or defeat of a ballot question.

12 (2) Contribution includes the full purchase price of tickets
13 or payment of an attendance fee for events such as dinners, lun-
14 cheons, rallies, testimonials, and other fund-raising events; an
15 individual's own money or property other than the individual's
16 homestead used on behalf of that individual's candidacy; the
17 granting of discounts or rebates not available to the general
18 public; or the granting of discounts or rebates by broadcast
19 media and newspapers not extended on an equal basis to all candi-
20 dates for the same office; and the endorsing or guaranteeing of a
21 loan for the amount the endorser or guarantor is liable.

22 (3) Contribution does not include any of the following:

23 (a) Volunteer personal services provided without compensa-
24 tion, or payments of costs incurred of less than \$500.00 in a
25 calendar year by an individual for personal travel expenses if
26 the costs are voluntarily incurred without any understanding or

1 agreement that the costs shall be, directly or indirectly,
2 repaid.

3 (b) Food and beverages, not to exceed \$100.00 in value
4 during a calendar year, which are donated by an individual and
5 for which reimbursement is not given.

6 (c) An offer or tender of a contribution if expressly and
7 unconditionally rejected, returned, or refunded in whole or in
8 part within 30 business days after receipt.

9 (D) AN HONORARIUM.

10 Sec. 6. (1) "Expenditure" means a payment, donation, loan,
11 or promise of payment of money or anything of ascertainable mone-
12 tary value for goods, materials, services, or facilities in
13 assistance of, or in opposition to, the nomination or election of
14 a candidate, or the qualification, passage, or defeat of a ballot
15 question.

16 (2) Expenditure includes a contribution or a transfer of
17 anything of ascertainable monetary value for purposes of influ-
18 encing the nomination or election of any candidate or the quali-
19 fication, passage, or defeat of a ballot question.

20 (3) Expenditure does not include any of the following:

21 (a) An expenditure for communication by a person with the
22 person's paid members or shareholders.

23 (B) AN EXPENDITURE FOR COMMUNICATION BY A PERSON UNDER SEC-
24 TION 44(4) TO NOTIFY CONTRIBUTORS OF THE DISBURSEMENT OF FUNDS.

25 (C) ~~(b)~~ An expenditure for communication on a subject or
26 issue if the communication does not support or oppose a ballot
27 issue or candidate by name or clear inference.

1 (D) ~~(c)~~ An expenditure for the establishment OF,
2 administration OF, or solicitation of contributions to a fund or
3 independent committee.

4 (E) ~~(d)~~ An expenditure by a broadcasting station, newspa-
5 per, magazine, or other periodical or publication for any news
6 story, commentary, or editorial in support of or opposition to a
7 candidate for elective office or a ballot question in the regular
8 course of publication or broadcasting.

9 (F) ~~(e)~~ An offer or tender of an expenditure if expressly
10 and unconditionally rejected or returned.

11 (G) ~~(f)~~ An expenditure for nonpartisan voter registration
12 or nonpartisan get-out-the-vote activities. This exclusion does
13 not apply if a candidate or group of candidates sponsors or
14 finances the activity or is identified by name with the
15 activity. This exclusion does apply to an activity performed
16 pursuant to sections 491 to 524 of the Michigan election law, Act
17 No. 116 of the Public Acts of 1954, as amended, being sections
18 168.491 to 168.524 of the Michigan Compiled Laws, by the secre-
19 tary of state and other registration officials who are identified
20 by name with the activity. This exclusion does apply to a candi-
21 date who is an elected officeholder and whose office is not on
22 the ballot for the general election in the calendar year in which
23 the expenditure is made or who is not a candidate within the
24 meaning of sections 3(1)(a) and 3(1)(b) and who is identified by
25 name with the activity.

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

4 (2) "Filer" means a person required to file a statement or
5 report pursuant to this act.

6 (3) "Filing official" means the official designated pursuant
7 to this act to receive required statements and reports.

8 (4) "Fund-raising event" means an event such as a dinner,
9 reception, testimonial, rally, auction, bingo, or similar affair
10 through which contributions are solicited or received by purchase
11 of a ticket, payment of an attendance fee, donations, ~~or~~
12 PURCHASE OF chances for prizes, or ~~through~~ purchase of goods or
13 services.

14 (5) "Gift" means a payment, subscription, advance, forbear-
15 ance, rendering, or deposit of money, services, or anything of
16 value, unless consideration of equal or greater value is given
17 therefor.

18 (6) "HONORARIUM" MEANS A PAYMENT OF MONEY OR ANYTHING OF
19 ASCERTAINABLE MONETARY VALUE IN EXCESS OF \$100.00 RECEIVED BY AN
20 ELECTED PUBLIC OFFICIAL, IF IT IS RECEIVED AS CONSIDERATION FOR
21 AN APPEARANCE, SPEECH, OR ARTICLE. AN HONORARIUM DOES NOT
22 INCLUDE REIMBURSEMENT FOR THE COST OF TRANSPORTATION, ACCOMMODA-
23 TIONS, OR MEALS FOR THE ELECTED PUBLIC OFFICIAL OR HIS OR HER
24 IMMEDIATE FAMILY AND STAFF.

25 Sec. 22. A committee treasurer or other individual desig-
26 nated on the statement of organization as responsible for the
27 committee's record keeping, report preparation, or report filing

1 shall keep detailed accounts, records, bills, and receipts as
2 required to substantiate the information contained in a statement
3 or report filed pursuant to this act or rules promulgated under
4 this act. The treasurer OR OTHER DESIGNATED INDIVIDUAL shall
5 record the name and address of a person from whom a contribution
6 is received. ~~except for contributions of \$20.00 or less~~
7 ~~received pursuant to section 41(3).~~ The records of a committee
8 shall be preserved for 5 years and shall be made available for
9 inspection as authorized by the secretary of state. A treasurer
10 or other individual designated as responsible for the committee's
11 record keeping, report preparation, or report filing who know-
12 ingly violates this section is subject to a civil fine of not
13 more than \$1,000.00.

14 Sec. 24. (1) A committee shall file a statement of organi-
15 zation with the filing officials designated in section 36 to
16 receive the committee's campaign statements. A statement of
17 organization shall be filed within 10 days after a committee is
18 formed. A filing official shall maintain a statement of organi-
19 zation filed by a committee until 5 years after the official date
20 of the committee's dissolution. A person who fails to file a
21 statement of organization required by this subsection shall pay a
22 late filing fee of \$10.00 for each business day the statement
23 remains not filed in violation of this subsection. The late
24 filing fee shall not exceed \$300.00. A person who violates this
25 subsection by failing to file for more than 30 days after a
26 statement of organization is required to be filed is guilty of a
27 misdemeanor punishable by a fine of not more than \$1,000.00.

1 (2) The statement of organization required by subsection (1)
2 shall include the following information:

3 (a) The name, street address, and, if available, the tele-
4 phone number of the committee. A committee address may be the
5 home address of the candidate or treasurer of the committee.

6 (b) The name, street address, and if available, the tele-
7 phone number of the treasurer or other individual designated as
8 responsible for the committee's record keeping, report prepara-
9 tion, or report filing.

10 (c) The name and address of the financial institution in
11 which the official committee depository is or is intended to be
12 located, and the name and address of each financial institution
13 in which a secondary depository is or is intended to be located.

14 (d) The full name of, the office including district number
15 or jurisdiction sought by, and the county residence of each can-
16 didate, and a brief statement identifying the substance of each
17 ballot question supported or opposed by the committee. If the
18 ballot question supported or opposed by the committee is not
19 statewide, the committee shall identify the county in which the
20 greatest number of registered voters eligible to vote on the
21 ballot question reside.

22 (e) Identification of the committee as a candidate commit-
23 tee, political party committee, independent committee, political
24 committee, or ballot question committee if it is identifiable as
25 such a committee.

26 (3) A COMMITTEE SHALL INCLUDE IN THE NAME OF THE COMMITTEE
27 THE NAME OF THE PERSON OR PERSONS THAT SPONSOR THE COMMITTEE, IF

1 ANY, OR WITH WHOM THE COMMITTEE IS AFFILIATED. A PERSON, OTHER
2 THAN AN INDIVIDUAL OR A COMMITTEE, SPONSORS OR IS AFFILIATED WITH
3 A COMMITTEE IF THAT PERSON ESTABLISHES, DIRECTS, CONTROLS, OR
4 FINANCIALLY SUPPORTS THE ADMINISTRATION OF THE COMMITTEE. FOR
5 THE PURPOSES OF THIS SUBSECTION, "FINANCIALLY SUPPORTS" DOES NOT
6 INCLUDE MAKING A CONTRIBUTION TO A COMMITTEE.

7 (4) ~~(3)~~ If any of the information required in a statement
8 of organization is changed, an amendment shall be filed when the
9 next campaign statement is required to be filed.

10 (5) ~~(4)~~ When filing a statement of organization, a commit-
11 tee, other than an independent committee, a political committee,
12 or a political party committee, may indicate in a written state-
13 ment signed by the treasurer of the committee that the committee
14 does not expect for each election to receive an amount in excess
15 of \$1,000.00 or expend an amount in excess of \$1,000.00.

16 (6) ~~(5) when~~ EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSEC-
17 TION, WHEN filing a statement of organization, an independent
18 committee, a political committee, or a political party committee
19 may indicate in a written statement signed by the treasurer of
20 the committee that the committee does not expect in a calendar
21 year to receive or expend an amount in excess of \$1,000.00. THIS
22 SUBSECTION DOES NOT APPLY TO AN INDEPENDENT COMMITTEE OR POLITI-
23 CAL COMMITTEE THAT HAS A NONRESIDENT TREASURER AS PROVIDED IN
24 SECTION 21(4).

25 (7) WHEN FILING A STATEMENT OF ORGANIZATION, AN INDEPENDENT
26 COMMITTEE OR POLITICAL COMMITTEE THAT HAS A NONRESIDENT TREASURER
27 AS PROVIDED IN SECTION 21(4) MAY INDICATE IN A WRITTEN STATEMENT

1 SIGNED BY THE TREASURER OF THE COMMITTEE THAT THE COMMITTEE DOES
2 NOT EXPECT IN A CALENDAR YEAR TO EXPEND AN AMOUNT IN EXCESS OF
3 \$1,000.00.

4 (8) ~~(6)~~ Upon the dissolution of a committee, a statement
5 indicating dissolution shall be filed with the filing officials
6 with whom the committee's statement of organization was filed.
7 Dissolution of a committee shall be accomplished in accordance
8 with rules promulgated by the secretary of state under the admin-
9 istrative procedures act of 1969, Act No. 306 of the Public Acts
10 of 1969, being sections 24.201 to 24.328 of the Michigan Compiled
11 Laws.

12 (9) ~~(7)~~ A candidate committee ~~which~~ THAT files a written
13 statement pursuant to subsection ~~(4)~~ (5) shall not be required
14 to file a dissolution statement pursuant to subsection ~~(6)~~ (8)
15 if the committee failed to receive or expend an amount in excess
16 of \$1,000.00 and 1 of the following applies:

17 (a) The candidate was defeated in an election and has no
18 outstanding campaign debts or assets.

19 (b) The candidate vacates an elective office and has no out-
20 standing campaign debts or assets.

21 Sec. 26. (1) A campaign statement of a committee, other
22 than a political party committee, required by this act shall con-
23 tain all of the following information:

24 (a) The filing committee's name, address, and telephone
25 number, and the full name, residential and business addresses,
26 and telephone numbers of its committee treasurer.

1 (b) Under the heading "receipts", the total amount of
2 contributions received during the period covered by the campaign
3 statement; under the heading "expenditures", the total amount of
4 expenditures made during the period covered by the campaign
5 statement; and the cumulative amount of those totals.
6 Forgiveness of a loan shall not be included in the totals.
7 Payment of a loan by a third party shall be recorded and reported
8 as an in-kind contribution by the third party. In-kind contribu-
9 tions or expenditures shall be listed at fair market value and
10 shall be reported as both contributions and expenditures. A con-
11 tribution or expenditure which is by other than completed and
12 accepted payment, gift, or other transfer, which is clearly not
13 legally enforceable, and which is expressly withdrawn or rejected
14 and returned before a campaign statement closing date need not be
15 included in the campaign statement and if included may, in a
16 later or amended statement, be shown as a deduction, but adequate
17 records of each instance shall be kept.

18 (c) The balance of cash on hand at the beginning and the end
19 of the period covered by the campaign statement.

20 ~~(d) The total amount of contributions received during the~~
21 ~~period covered by the campaign statement from persons who con-~~
22 ~~tributed \$20.01 or more.~~

23 ~~(e) The total amount of contributions received during the~~
24 ~~period covered by the campaign statement from persons who con-~~
25 ~~tributed \$20.00 or less.~~

26 ~~(f) The total amount of contributions of \$20.00 or less~~
27 ~~received during the period covered by the campaign statement and~~

1 ~~the cumulative amount of the contributions received by the filer~~
2 ~~pursuant to section 41(3).~~

3 (D) ~~(g)~~ The following information regarding each
4 fund-raising event shall be included in the report:

5 (i) The type of event, date held, address and name, if any,
6 of the place where the activity was held, and approximate number
7 of individuals participating or in attendance.

8 (ii) The total amount of all contributions. ~~of \$20.01 or~~
9 ~~more.~~

10 ~~(iii) The total amount of all contributions of \$20.00 or~~
11 ~~less.~~

12 (iii) ~~(iv)~~ The gross receipts of the fund-raising event.

13 (iv) ~~(v)~~ The expenditures incident to the event.

14 (E) ~~(h)~~ The full name of each individual from whom contri-
15 butions ~~totaling \$20.01 or more~~ are received during the period
16 covered by the campaign statement, together with the individual's
17 street address, the amount contributed, the date on which each
18 contribution was received, and the cumulative amount contributed
19 by that individual. The occupation, employer, and principal
20 place of business shall be stated if the individual's cumulative
21 contributions are ~~\$200.01 or more~~ THAN \$100.00.

22 (F) ~~(i)~~ The cumulative amount contributed and the name and
23 address of each individual, except those individuals reported
24 under subdivision ~~(h)~~ (E), who contributed ~~a total of \$20.01~~
25 ~~or more~~ TO THE COMMITTEE. The occupation, employer, and princi-
26 pal place of business, shall be stated for each individual who
27 contributed ~~\$200.01 or more~~ THAN \$100.00.

1 (G) ~~(j)~~ The name and street address of each person, other
2 than an individual, from whom contributions are received during
3 the period covered by the campaign statement, together with an
4 itemization of the amounts contributed, the date on which each
5 contribution was received, and the cumulative amount contributed
6 by that person.

7 (H) ~~(k)~~ The name, address, and amount given by an individ-
8 ual who contributed ~~\$20.01 or more of~~ TO the total amount con-
9 tributed by a person who is other than a committee or an
10 individual. The occupation, employer, and principal place of
11 business shall be stated if the individual contributed ~~\$200.01~~
12 ~~or~~ more THAN \$100.00 of the total amount contributed by a person
13 who is other than a committee or an individual.

14 (I) ~~(l)~~ The cumulative total of expenditures of \$50.00 or
15 less made during the period covered by the campaign statement
16 except for expenditures made to or on behalf of another commit-
17 tee, candidate, or ballot question.

18 (J) ~~(m)~~ The full name and street address of each person to
19 whom expenditures totaling \$50.01 or more were made, together
20 with the amount of each separate expenditure to each such person
21 during the period covered by the campaign statement; the purpose
22 of the expenditure; the full name and street address of the
23 person providing the consideration for which any expenditure was
24 made if different from the payee; the itemization regardless of
25 amount of each expenditure made to or on behalf of another com-
26 mittee, candidate, or ballot question; and the cumulative amount
27 of expenditures for or against that candidate or ballot question

1 for an election cycle. An expenditure made in support of more
2 than 1 candidate or ballot question, or both, shall be appor-
3 tioned reasonably among the candidates or ballot questions, or
4 both.

5 (2) A candidate committee or ballot question committee shall
6 report all cumulative amounts required by this section on a per
7 election cycle basis. Except for ~~subdivision (m)~~
8 SUBSECTION (1)(J), an independent committee or political commit-
9 tee shall report all cumulative amounts required by this section
10 on a calendar year basis.

11 Sec. 28. (1) Interest received by a committee on an account
12 consisting of funds belonging to the committee shall not be con-
13 sidered a contribution to the committee but shall be reported as
14 interest. Interest paid by a committee shall be reported as an
15 expenditure.

16 (2) A loan with an outstanding balance made or received
17 shall be set forth in a separate schedule providing the date and
18 amount of the loan, the date and amount of each payment, the
19 amount of cumulative payments, the amount of the outstanding bal-
20 ance, and whether the loan payments were made by money, services,
21 property, or other means. The committee shall provide the name
22 and address of the lender and each person who is liable directly,
23 indirectly, or contingently on each loan. ~~of \$20.01 or more.~~
24 The occupation and employer, if any, of the lender and person
25 shall be stated if the loan is ~~\$200.01 or~~ more THAN \$100.00.
26 If a loan is paid off within a reporting period, this activity

1 need not be reported on a separate schedule. However, if a loan
2 is forgiven, it shall be detailed on a separate schedule.

3 (3) Accompanying a campaign statement reporting the receipt
4 of a contribution ~~of \$20.01 or more~~ from a person whose trea-
5 surer does not reside in, whose principal office is not located
6 in, or whose funds are not kept in this state, shall be a state-
7 ment certified as true and correct by an officer of the contrib-
8 uting person setting forth the full name, address, along with the
9 amount contributed, of each person who contributed ~~\$20.01 or~~
10 ~~more~~ TO THE TOTAL AMOUNT of the contribution. The occupation,
11 employer, and principal place of business shall be stated for
12 each person who contributed ~~\$200.01 or~~ more THAN \$100.00. This
13 subsection does not apply if the contributing person is regis-
14 tered as a committee under section 24.

15 Sec. 29. (1) A campaign statement filed by a political
16 party committee shall contain all of the following information:

17 (a) The full name of each person from whom contributions
18 ~~totaling \$20.01 or more in value~~ are received in a calendar
19 year, the amount, and the date or dates contributed; and, if the
20 person is a committee, the name and address of the committee and
21 the full name of the committee treasurer, together with the
22 amount of the contribution and the date received. The occupa-
23 tion, employer, and principal place of business, if any, shall be
24 listed for each person from whom contributions totaling ~~\$200.01~~
25 ~~or~~ more THAN \$100.00 are received in a calendar year.

26 (b) Accompanying a campaign statement reporting the receipt
27 of a contribution ~~of \$20.01 or more~~ from a committee or person

1 whose treasurer does not reside in, whose principal office is not
2 located in, or whose funds are not kept in this state, and whose
3 committee has not filed a statement of organization as required
4 in section 24, shall be a statement setting forth the full name
5 and address of the treasurer of the committee.

6 (c) An itemized list of all expenditures, including in-kind
7 contributions and expenditures and loans, made during the period
8 covered by the campaign statement that were contributions to a
9 candidate committee of a candidate for elective office or a
10 ballot question committee; or independent expenditures in support
11 of the qualification, passage, or defeat of a ballot question or
12 in support of the nomination or election of a candidate for elec-
13 tive office or the defeat of any of the candidate's opponents.

14 (d) The total expenditure by the committee for each candi-
15 date for elective office or ballot question in whose behalf an
16 independent expenditure was made or a contribution was given for
17 the election cycle.

18 (e) The filer's name, address, and telephone number, if
19 available, if any, and the full name, address, and telephone
20 number, if available, of the committee treasurer.

21 (2) An expenditure listed under subsection (1)(c) shall be
22 identified as an independent expenditure or as a contribution to
23 a candidate committee or a ballot question committee.

24 (3) A contribution to or on behalf of a candidate committee
25 or ballot question committee listed under subsection (1) (c)
26 shall note the name and address of the committee, the name of the

1 candidate and the office sought, if any, the amount contributed,
2 and the date of contribution.

3 (4) An independent expenditure listed under subsection
4 (1)(c) shall note either the name of the candidate for whose ben-
5 efit the expenditure was made and the office sought by the candi-
6 date, or a brief description of the ballot question for which the
7 expenditure was made; the amount, date, and purpose of the expen-
8 diture; and the full name and address of the person to whom the
9 expenditure was made.

10 (5) An expenditure listed ~~which~~ THAT was made in support
11 of more than 1 candidate or ballot question, or both, shall be
12 apportioned reasonably among the candidates or ballot questions,
13 or both.

14 Sec. 33. (1) A committee, other than an independent commit-
15 tee or a political committee required to file with the secretary
16 of state, supporting or opposing a candidate shall file campaign
17 statements as required by this act according to the following
18 schedule:

19 (a) A preelection campaign statement shall be filed not
20 later than the eleventh day before an election. The closing date
21 for a campaign statement filed under this subdivision shall be
22 the sixteenth day before the election.

23 (b) A postelection campaign statement shall be filed not
24 later than the thirtieth day following the election. The closing
25 date for a campaign statement filed under this subdivision shall
26 be the twentieth day following the election. A committee
27 supporting a candidate who loses the primary election shall file

1 closing campaign statements in accordance with this section. If
2 all liabilities of such a candidate or committee are paid before
3 the closing date and additional contributions are not expected,
4 the campaign statement may be filed at any time after the elec-
5 tion, but not later than the thirtieth day following the
6 election.

7 (2) For the purposes of subsection (1):

8 (a) A candidate committee shall file a preelection campaign
9 statement and a postelection campaign statement for each election
10 in which the candidate seeks nomination or election, except if an
11 individual becomes a candidate after the closing date for the
12 preelection campaign statement only the postelection campaign
13 statement is required for that election.

14 (b) A committee other than a candidate committee shall file
15 a campaign statement for each period during which expenditures
16 are made for the purpose of influencing the nomination or elec-
17 tion of a candidate or for the qualification, passage, or defeat
18 of a ballot question.

19 (3) An independent committee or a political committee
20 required to file with the secretary of state shall file campaign
21 statements as required by this act according to the following
22 schedule:

23 (a) In an odd numbered year:

24 (i) Not later than January 31 of that year with a closing
25 date of December 31 of the previous year.

26 (ii) Not later than July 25 with a closing date of July 20.

1 (iii) Not later than October 25 with a closing date of
2 October 20.

3 (b) In an even numbered year:

4 (i) Not later than April 25 of that year with a closing date
5 of April 20 of that year.

6 (ii) Not later than July 25 with a closing date of July 20.

7 (iii) Not later than October 25 with a closing date of
8 October 20.

9 (4) Notwithstanding subsection (3) or section 51, if an
10 independent expenditure is made within 45 days before a special
11 election by an independent committee or a political committee
12 required to file a campaign statement with the secretary of
13 state, a report of the expenditure shall be filed by the commit-
14 tee with the secretary of state within 48 hours after the
15 expenditure. The report shall be made on a form provided by the
16 secretary of state and shall include the date of the independent
17 expenditure, the amount of the expenditure, a brief description
18 of the nature of the expenditure, and the name and address of the
19 person to whom the expenditure was paid. The brief description
20 of the expenditure shall include either the name of the candidate
21 and the office sought by the candidate or the name of the ballot
22 question and shall state whether the expenditure supports or
23 opposes the candidate or ballot question. This subsection does
24 not apply if the committee is required to report the independent
25 expenditure in a campaign statement that is required to be filed
26 before the date of the election for which the expenditure was
27 made.

1 (5) A candidate committee or a committee other than a
2 candidate committee ~~which~~ THAT files a written statement under
3 section 24(5) or (6) need not file a campaign statement under
4 subsection (1) or (3) unless it received or expended an amount in
5 excess of \$1,000.00. If the committee receives or expends an
6 amount in excess of \$1,000.00 during a period covered by a
7 filing, the committee is then subject to the campaign filing
8 requirements under this act.

9 (6) A COMMITTEE THAT FILES A WRITTEN STATEMENT UNDER
10 SECTION 24(7) NEED NOT FILE A CAMPAIGN STATEMENT UNDER
11 SUBSECTION (3) UNLESS IT EXPENDED AN AMOUNT IN EXCESS OF
12 \$1,000.00. IF THE COMMITTEE EXPENDS MORE THAN \$1,000.00 DURING A
13 PERIOD COVERED BY A FILING, THE COMMITTEE IS SUBJECT TO THE CAM-
14 PAIGN FILING REQUIREMENTS UNDER THIS ACT.

15 (7) ~~(6)~~ A committee, candidate, treasurer, or other indi-
16 vidual designated as responsible for the committee's record keep-
17 ing, report preparation, or report filing who fails to file a
18 statement as required by this section shall pay a late filing fee
19 of \$25.00 for each business day the statement remains unfiled.
20 The late filing fee shall not exceed \$500.00. If a candidate,
21 treasurer, or other individual designated as responsible for the
22 committee's record keeping, report preparation, or report filing
23 fails to file 2 statements required by this section or section 35
24 and both of the statements remain unfiled for more than 30 days,
25 that candidate, treasurer, or other designated individual is
26 guilty of a misdemeanor, punishable by a fine of not more than
27 \$1,000.00, or imprisonment for not more than 90 days, or both.

1 (8) ~~-(7)-~~ If a candidate subject to this section is found
2 guilty, the circuit court for that county, on application by the
3 attorney general or the prosecuting attorney of that county, may
4 prohibit that candidate from assuming the duties of a public
5 office or from receiving compensation from public funds, or
6 both.

7 (9) ~~-(8)-~~ If a treasurer or other individual designated as
8 responsible for a committee's record keeping, report preparation,
9 or report filing knowingly files an incomplete or inaccurate
10 statement or report required by this section, that treasurer or
11 other designated individual is subject to a civil fine of not
12 more than \$1,000.00.

13 Sec. 35. (1) In addition to any other requirements of this
14 act for filing a campaign statement, a committee, other than an
15 independent committee or a political committee required to file
16 with the secretary of state, shall also file a campaign statement
17 not later than January 31 of each year. The campaign statement
18 shall have a closing date of December 31 of the previous year.
19 The period covered by the campaign statement filed pursuant to
20 this subsection shall begin the day after the closing date of the
21 previous campaign statement. A campaign statement filed pursuant
22 to this subsection shall be waived if a postelection campaign
23 statement has been filed ~~which~~ THAT has a filing deadline
24 within 30 days of the closing date of the campaign statement
25 required by this subsection.

26 (2) Subsection (1) does not apply to a candidate committee
27 for an officeholder who is a judge or a supreme court justice, or

1 who holds an elective office for which the salary is less than
2 \$100.00 a month and who does not receive any contribution or make
3 any expenditure during the time ~~which~~ THAT would be otherwise
4 covered in the statement.

5 (3) A committee, candidate, treasurer, or other individual
6 designated as responsible for the record keeping, report prepara-
7 tion, or report filing for a candidate committee of a candidate
8 for state elective office or a judicial office who fails to file
9 a campaign statement under this section shall pay a late filing
10 fee of \$25.00 for each business day the campaign statement
11 remains not filed in violation of this section. The late filing
12 fee shall not exceed \$500.00. A committee, treasurer, or other
13 individual designated as responsible for the record keeping,
14 report preparation, or report filing for a committee other than a
15 candidate committee of a candidate for state elective office or a
16 judicial office who fails to file a campaign statement under this
17 section shall pay a late filing fee of \$25.00 for each business
18 day the committee statement remains not filed in violation of
19 this section. The late filing fee shall not exceed \$500.00.

20 (4) A committee filing a written statement pursuant to sec-
21 tion 24(5) ~~or (6)~~ need not file a statement in accordance with
22 subsection (1). If a committee receives or expends more than
23 \$1,000.00 during a ~~time~~ period ~~prescribed by section 24(5) or~~
24 ~~(6)~~ COVERED BY A FILING, the committee is then subject to the
25 campaign filing requirements under this act and shall file a cam-
26 paign statement for the period beginning the day after the
27 closing date of the last postelection campaign statement or an

1 annual campaign statement ~~which~~ THAT is waived pursuant to
2 subsection (1), whichever occurred earlier.

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

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

18 Sec. 41. (1) A person shall not make or accept any single
19 contribution of \$20.01 or more in cash nor make or accept any
20 single expenditure of \$50.01 or more in cash. Contributions of
21 \$20.01 or more and expenditures of \$50.01 or more, other than an
22 in-kind contribution or expenditure, shall be made by written
23 instrument containing the names of the payor and the payee. A
24 person who knowingly violates this section is guilty of a misde-
25 meanor and shall be punished by a fine of not more than
26 \$1,000.00, or imprisoned for not more than 90 days, or both, and

1 if the person is other than an individual the person shall be
2 fined not more than \$10,000.00.

3 (2) A person shall not accept or expend an anonymous
4 contribution. An anonymous contribution received by a person
5 shall not be deposited but shall be given to a tax exempt chari-
6 table organization. The charitable organization receiving the
7 contribution shall provide the person with a receipt. The
8 receipt shall be returned by an appropriate committee pursuant to
9 section 22.

10 ~~(3) A contribution received as the result of a fund raising~~
11 ~~event or casual services, or from the sale of political merchan-~~
12 ~~dise that is \$20.00 or less in the aggregate from a person in any~~
13 ~~calendar year shall not be considered an anonymous contribution.~~
14 ~~A contribution received from membership fees, dues, or subscrip-~~
15 ~~tions for political purposes to an independent committee or a~~
16 ~~political party committee that is \$20.00 or less in the aggregate~~
17 ~~from a person in any calendar year shall not be considered an~~
18 ~~anonymous contribution.~~

19 ~~(4) A person making a contribution pursuant to subsection~~
20 ~~(3) which is \$20.01 or more in any calendar year when added to~~
21 ~~all other contributions made to that committee by that person~~
22 ~~shall furnish the recipient with the donor's name, address, and~~
23 ~~the total amount contributed.~~

24 (3) ~~(5)~~ A person who knowingly violates subsection (2) ~~or~~
25 ~~(3), or (4)~~ is guilty of a misdemeanor and shall be punished by
26 a fine of not more than \$1,000.00, or imprisoned for not more
27 than 90 days, or both.

1 (4) ~~(6)~~ A contribution shall not be made, directly or
 2 indirectly, by any person in a name other than the name by which
 3 that person is identified for legal purposes. A person who vio-
 4 lates this subsection is guilty of a misdemeanor and shall be
 5 punished by a fine of not more than \$1,000.00, or imprisoned for
 6 not more than 90 days, or both, and if the person is other than
 7 an individual, the person shall be fined not more than
 8 \$10,000.00.

9 Sec. 42. (1) A person who accepts a contribution, other
 10 than by written instrument, on behalf of another and acts as the
 11 intermediary or agent of the person from whom the contribution
 12 was accepted shall disclose to the recipient of the contribution
 13 the intermediary's own name and address and the name and address
 14 of the actual source of the contribution. A person who knowingly
 15 violates this subsection is guilty of a misdemeanor punishable by
 16 a fine of not more than \$1,000.00, or imprisonment for not more
 17 than 90 days, or both.

18 (2) A contribution ~~of \$20.01 or more~~ from a person whose
 19 treasurer does not reside in, whose principal office is not
 20 located in, or whose funds are not kept in this state, shall not
 21 be accepted by a person for purposes of supporting or opposing
 22 candidates for elective office or the qualification, passage, or
 23 defeat of a ballot question unless accompanied by a statement
 24 certified as true and correct by an officer of the contributing
 25 person setting forth the full name and address along with the
 26 amount contributed, of each person who contributed ~~\$20.01 or~~
 27 ~~more of~~ TO the contribution. The occupation, employer, and

1 principal place of business shall be listed for each person who
2 contributed ~~\$200.01 or~~ more THAN \$100.00 of the contribution.
3 The certified statement shall also state that the contribution
4 was not made from an account containing funds prohibited by
5 section 54. A person who knowingly violates this subsection is
6 guilty of a misdemeanor punishable, if the person is an individu-
7 al, by a fine of not more than \$1,000.00, or imprisonment for not
8 more than 90 days, or both, or, if the person is not an individu-
9 al, by a fine of not more than \$10,000.00. This subsection does
10 not apply if the contributing person is registered as a committee
11 under section 24.

12 (3) A person shall not receive a contribution from a person
13 other than a committee unless for purposes of the recipient
14 person's record keeping and reporting requirements, the contribu-
15 tion is accompanied by the name and address of each person who
16 contributed ~~\$20.01 or more~~ to the contribution, and the name,
17 address, occupation, employer, and principal place of business of
18 each person who contributed ~~\$200.01 or~~ more THAN \$100.00 to the
19 contribution. A person who knowingly violates this subsection is
20 guilty of a misdemeanor punishable, if the person is an individu-
21 al, by a fine of not more than \$1,000.00, or imprisonment for not
22 more than 90 days, or both, or, if the person is other than an
23 individual, by a fine of not more than \$10,000.00.

24 Sec. 44. (1) A contribution shall not be made by a person
25 to another person with the agreement or arrangement that the
26 person receiving the contribution will then transfer that
27 contribution to a particular candidate committee.

1 (2) A candidate committee shall not make a contribution to
2 or an independent expenditure in behalf of another candidate
3 committee.

4 (3) A CANDIDATE COMMITTEE OF A CANDIDATE FOR STATE ELECTIVE
5 OFFICE, OTHER THAN A CANDIDATE COMMITTEE OF A CANDIDATE FOR STATE
6 ELECTIVE OFFICE IN A SPECIAL ELECTION, SHALL ONLY ACCEPT A CON-
7 TRIBUTION FROM AN INDEPENDENT COMMITTEE OR A POLITICAL COMMITTEE
8 DURING THE PERIOD BEGINNING ON APRIL 1 AND ENDING ON DECEMBER 31
9 IN A YEAR IN WHICH A GENERAL NOVEMBER ELECTION IS HELD. A CANDI-
10 DATE COMMITTEE OF A CANDIDATE FOR STATE ELECTIVE OFFICE IN A SPE-
11 CIAL ELECTION SHALL ONLY ACCEPT A CONTRIBUTION FROM AN INDEPEN-
12 DENT COMMITTEE OR A POLITICAL COMMITTEE DURING THE ELECTION CYCLE
13 FOR THAT SPECIAL ELECTION AS DEFINED IN SECTION 52(2)(B). AS
14 USED IN THIS SUBSECTION, "GENERAL NOVEMBER ELECTION" MEANS THAT
15 TERM AS DEFINED IN SECTION 3 OF THE MICHIGAN ELECTION LAW, ACT
16 NO. 116 OF THE PUBLIC ACTS OF 1954, BEING SECTION 168.3 OF THE
17 MICHIGAN COMPILED LAWS.

18 (4) AN INDEPENDENT COMMITTEE AND A POLITICAL COMMITTEE SHALL
19 NOTIFY EACH PERSON WHO MAKES A CONTRIBUTION TO THE COMMITTEE OF
20 THE EXPENDITURE OF COMMITTEE FUNDS TO CANDIDATE COMMITTEES AND
21 BALLOT QUESTION COMMITTEES AND FOR INDEPENDENT EXPENDITURES. THE
22 NOTICE SHALL BE DELIVERED TO EACH CONTRIBUTOR BY DECEMBER 31 OF
23 EACH CALENDAR YEAR AND SHALL BE ATTACHED TO THE CAMPAIGN STATE-
24 MENT FILED BY THE COMMITTEE UNDER THIS ACT FOR THE FILING PERIOD
25 IN WHICH THE NOTICE WAS DELIVERED. THE NOTICE TO CONTRIBUTORS
26 SHALL CONTAIN THE FOLLOWING INFORMATION:

1 (A) IF THE EXPENDITURE WAS TO A CANDIDATE COMMITTEE, THE
2 NAME OF THE CANDIDATE AND THE OFFICE SOUGHT BY THE CANDIDATE.

3 (B) IF THE EXPENDITURE WAS TO A BALLOT QUESTION COMMITTEE,
4 THE NAME OF THE BALLOT QUESTION COMMITTEE.

5 (C) IF THE EXPENDITURE WAS AN INDEPENDENT EXPENDITURE,
6 WHETHER THE INDEPENDENT EXPENDITURE SUPPORTS OR OPPOSES A CANDI-
7 DATE OR BALLOT QUESTION.

8 (5) ~~-(3)-~~ An individual, other than a committee treasurer or
9 the individual designated as responsible for the record keeping,
10 report preparation, or report filing for a committee, who obtains
11 possession of 1 committee's contribution for the purpose of
12 delivering the contribution to another committee shall deliver
13 the contribution to that committee, that committee's treasurer,
14 or that committee's agent, or return the contribution to the
15 payor, not later than 10 business days after obtaining possession
16 of the contribution.

17 (6) ~~-(4)-~~ Two or more persons, other than individuals, may
18 hold a joint fund-raiser if the receipts and expenses of the
19 fund-raiser are shared proportionately. If an officeholder
20 expense fund and the candidate committee of that officeholder
21 hold a joint fund-raiser, the candidate committee shall pay the
22 expenses of the fund-raiser and all corporate money received for
23 the fund-raiser shall be deposited in the account of the office-
24 holder expense fund. All noncorporate contributions shall be
25 deposited in a secondary depository designated to receive contri-
26 butions prior to their split between the candidate committee and
27 officeholder expense fund.

1 (7) ~~(5)~~ A person who knowingly violates this section is
2 guilty of a misdemeanor punishable by a fine of not more than
3 \$1,000.00, or imprisonment for not more than 90 days, or both.

4 Sec. 45. (1) A person may transfer any unexpended funds
5 from 1 candidate committee to another candidate committee of that
6 person if the contribution limits prescribed in section 52 for
7 the candidate committee receiving the funds are equal to or
8 greater than the contribution limits for the candidate committee
9 transferring the funds and if the candidate committees are simul-
10 taneously held by the same person. The funds being transferred
11 shall not be considered a qualifying contribution regardless of
12 the amount of the individual contribution being transferred.

13 (2) A PERSON, UPON DISSOLUTION OF THE OFFICEHOLDER EXPENSE
14 FUND OF THAT PERSON, MAY TRANSFER ANY UNEXPENDED FUNDS FROM THAT
15 OFFICEHOLDER EXPENSE FUND TO ANOTHER OFFICEHOLDER EXPENSE FUND OF
16 THAT PERSON IF THE CONTRIBUTION LIMITS PRESCRIBED IN SECTION 52
17 FOR THE OFFICEHOLDER EXPENSE FUND RECEIVING THE FUNDS ARE GREATER
18 THAN THE CONTRIBUTION LIMITS FOR THE OFFICEHOLDER EXPENSE FUND
19 TRANSFERRING THE FUNDS.

20 (3) ~~(2)~~ Unexpended funds in a campaign committee OR AN
21 OFFICEHOLDER EXPENSE FUND that are not eligible for transfer ~~to~~
22 ~~another candidate committee of the person,~~ pursuant to subsec-
23 tion (1) ~~,~~ OR (2) shall be given to a political party commit-
24 tee, ~~or to~~ a tax exempt charitable institution, or returned to
25 the contributors of the funds upon ~~termination~~ DISSOLUTION of
26 the campaign committee OR THE OFFICEHOLDER EXPENSE FUND.

1 SEC. 50. (1) AN ELECTED PUBLIC OFFICIAL MAY RECEIVE AN
2 HONORARIUM. THE RECEIPT OF AN HONORARIUM SHALL BE RECORDED AND
3 REPORTED ON A FORM PROVIDED BY THE SECRETARY OF STATE. THE FORM
4 SHALL INCLUDE A SPACE FOR REPORTING WHETHER THE HONORARIUM WAS
5 CONTRIBUTED TO A TAX EXEMPT CHARITABLE INSTITUTION ON BEHALF OF
6 THAT ELECTED PUBLIC OFFICIAL. THE FORM SHALL BE FILED NOT LATER
7 THAN JANUARY 31 OF EACH YEAR AND SHALL HAVE A CLOSING DATE OF
8 DECEMBER 31 OF THE PREVIOUS YEAR.

9 (2) A PERSON WHO KNOWINGLY VIOLATES THIS SECTION IS GUILTY
10 OF A MISDEMEANOR PUNISHABLE BY A FINE OF NOT MORE THAN \$1,000.00
11 OR IMPRISONMENT FOR NOT MORE THAN 90 DAYS, OR BOTH.

12 Section 2. Section 19 of Act No. 382 of the Public Acts of
13 1972, being section 432.119 of the Michigan Compiled Laws, is
14 repealed.

15 Section 3. This amendatory act shall take effect January 1,
16 1991.