

MINUTES OF THE COMMITTEE ON REDISTRICTING AND ELECTIONS

December 6, 2011

9:00 a.m.

Room 521 House Office Building

Chair Lund called the meeting to order.

Present were: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka, Byrum, Nathan,

Absent and excused was Rep. Stanley.

Chair Lund welcomed Rep. Pscholka to the Committee on Redistricting and Elections.

Rep. Nathan moved to excuse the member that was absent. The motion prevailed.

Rep. Knollenberg moved to approve the minutes of the meeting held November 29, 2011. The motion prevailed.

Chair Lund laid before the Committee HB 4653 - Forlini - Elections; polling places; displaying the name of any elected or appointed official on materials at public polling locations; prohibit.

Chair Lund stated that a substitute H-1 had been adopted to HB 4653 at the meeting held on November 29, 2011.

Rep. Tyler moved to report out HB 4653, substitute H-1 with the recommendation that it pass. The motion prevailed, the vote being 8-0-1.

FAVORABLE ROLL CALL:

Yeas: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka, Byrum, Nathan,

Nays: None,

Pass: None.

Chair Lund laid before the Committee HB 4656 - Forlini - Elections; campaign practices; prohibition for politician's names to be attached to certain election-related materials sent to voters.

Chair Lund stated that a substitute H-2 had been adopted to HB 4656 at the meeting held on November 29, 2011.

Rep. Knollenberg moved to report out HB 4656, substitute H-2 with the recommendation that it pass. The motion prevailed, the vote being 8-0-1.

FAVORABLE ROLL CALL:

Yeas: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka, Byrum, Nathan,

Nays: None,

Pass: None.

Chair Lund laid before the Committee the follow 2 bill package.

HB 5085 - Shirkey - Campaign finance; contributions and expenditures; certain payroll deduction plans used to collect a contribution; prohibit.

HB 5086 - Opsommer - Campaign finance; prohibition on using public resources to establish or administer certain payroll deduction plans; provide for.

Chair Lund recognized Rep. Shirkey and Rep. Opsommer to explain the bills and to answer questions by members of the Redistricting and Elections Committee.

Discussion and questions followed.

The following people filled out testimony cards in support of HB 5085 and HB 5086 but did not want to testify.

Isabelle Elise Terry representing herself
Jim Holcomb representing the Michigan Chamber of Commerce
Mike Batterbee representing the Secretary of State
Amanda Fisher representing the National Federation of Independent Business

The following people filled out testimony cards in opposition to HB 5085 and HB 5086 but did not want to testify.

Mike Migrin representing the Michigan State Employees Association
Kim Teachout representing the United Auto Workers
Jonathan Byrd representing the Michigan Laborers District Council
Nick Ciaramitaro representing AFSCME Council 25
Michael Keller representing the AFI-CIO of Michigan
Mariam Robinson representing the Michigan Nurses Association

Rep. Tyler moved to adopt the substitute H-1 to HB 5085. The motion prevailed, the vote being 6-1-2.

FAVORABLE ROLL CALL:

Yeas: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka,

Nays: Rep. Nathan,

Pass: Rep. Byrum.

Rep. Tyler moved to adopt the substitute H-2 to HB 5086. The motion prevailed, the vote being 6-1-2.

FAVORABLE ROLL CALL:

Yeas: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka,

Nays: Rep. Nathan,

Pass: Rep. Byrum.

Chair Lund recognized Eric Doster representing the Michigan Chamber of Commerce who testified in support of HB 5085 and HB 5086.

Discussion and questions followed.

Rep. Knollenberg moved to report out HB 5085 substitute H-1 with the recommendation that it pass. The motion prevailed, the vote being 6-2-1.

FAVORABLE ROLL CALL:

Yeas: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka,

Nays: Reps. Byrum, Nathan,

Pass: None.

Rep. Byrum moved to adopt the substitute H-4 to HB 5086. The motion did not prevail, the vote being 2-6-1.

UNFAVORABLE ROLL CALL:

Yeas: Reps. Byrum, Nathan,

Nays: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka,

Pass: None.

Rep. Nathan moved to amend HB 5086 as follows:

1. Amend page 13, line 7, by inserting:

"SEC. 55A (1) A CORPORATION OR JOINT STOCK COMPANY THAT MAKES AN INDEPENDENT EXPENDITURE SHALL SUBMIT A REPORT TO THE SECRETARY OF STATE AT LEAST 5 DAYS BEFORE THE DATE OF THE INDEPENDENT EXPENDITURE. THE REPORT SHALL BE SUBMITTED ELECTRONICALLY OVER THE INTERNET IN THE MANNER PRESCRIBED BY THE SECRETARY OF STATE AND THE REPORT SHALL INCLUDE THE DATES OF THE EXPENDITURE, THE CANDIDATE TO WHO THE COMMUNICATION FUNDED BY THE EXPENDITURE REFERS, THE AMOUNT OF THE EXPENDITURE, THE NAME AND ADDRESS OF THE PERSON TO WHO THE EXPENDITURE WILL BE PAID, THE NAME AND ADDRESS OF THE PERSON FILING THE REPORT, AND THE NAMES AND ADDRESSES OF ALL CONTRIBUTORS TO THE EXPENDITURE.

(2) A CORPORATION OR JOINT STOCK COMPANY THAT MAKES AN INDEPENDENT EXPENDITURE SHALL PLACE 1 OF THE FOLLOWING DISCLAIMERS ON THE COMMUNICATION:

(A) PRINTED COMMUNICATION DISCLAIMERS SHALL STATE: "PAID WITH CORPORATE OR JOINT STOCK COMPANY FUNDS BY _____ (NAME AND ADDRESS OF CORPORATIONS OR JOINT STOCK COMPANY)" AND INCLUDE THE NAME AND PHOTOGRAPH OF THE PRESIDENT OF THAT CORPORATIONS OR JOINT STOCK COMPANY. THE DISCLAIMER MUST BE OF SUFFICIENT TYPE SIZE TO BE CLEARLY READABLE, MUST BE CONTAINED IN A PRINTED BOX SET APART FROM THE OTHER CONTENTS OF THE COMMUNICATION, AND MUST BE LEGIBLE.

(B) ELECTRONIC COMMUNICATION DISCLAIMERS SHALL COMPLY WITH SUBDIVISION (A) AND SHALL BE CLEARLY READABLE DURING THE ENTIRE BROADCAST OF THE ADVERTISEMENT. ELECTRONIC COMMUNICATION INCLUDES AND ELECTRONIC MEANS OF VISUAL COMMUNICATION, SUCH AS TELEVISION AND THE INTERNET.

(C) RADIO COMMUNICATION DISCLAIMERS SHALL INCLUDE THE VOICE OF THE PRESIDENT OF THE CORPORATION OR JOINT STOCK COMPANY MAKING THE STATEMENT IN SUBDIVISION (A) AND IDENTIFYING HIMSELF OR HERSELF AS THE PRESIDENT OF THE CORPORATION OR JOINT STOCK COMPANY."

The motion did not prevail, the vote being 2-6-1.

UNFAVORABLE ROLL CALL:

Yeas: Reps. Byrum, Nathan,

Nays: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka,

Pass: None.

Rep Nathan moved to amend HB 5086 as following:

1. Amend page 13, line 7, by inserting:

"SEC. 55B. A CORPORATION OR JOINT STOCK COMPANY SHALL NOT MAKE AN INDEPENDENT EXPENDITURE UNLESS IT DISCLOSES THE AMOUNT AND NATURE OF THE INDEPENDENT EXPENDITURE TO EACH SHAREHOLDER OR MEMBER AT LEAST 30 DAYS PRIOR TO THE INDEPENDENT EXPENDITURE AND A MAJORITY OF THE SHAREHOLDERS OR MEMBERS AFFIRMATIVELY CONSENT IN WRITING TO THE INDEPENDENT EXPENMDITURE BEFORE THE INDEPENDENT EXPENDITURE IS MADE. A CORPORATION OR JOINT STOCK COMPANY SHALL MAINTAIN RECORDS DEMONSTRATING COMPLIANCE WITH THIS SUBSECTION, WHICH SHALL BE PROMPTLY PROVIDE TO ANY MICHIGAN ELECTOR WHO REQUESTS THEM."

The motion did not prevail, the vote being 2-6-1.

UNFAVORABLE ROLL CALL:

Yeas: Reps. Byrum, Nathan,

Nays: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka,

Pass: None.

Rep. Nathan moved to amend HB 5086 as follows:

1. Amend page 13, following line 7, by inserting:

"SEC. 55C (1) A CORPORATION OR JOINT STOCK COMPANY THAT HAS ENTERED INTO A CONTRACT WITH THIS STATE OR ANY POLITICAL SUBDIVISION OF THIS STATE, THAT HAS RECEIVED A GRANT FUNDED IN WHOLE OR IN PART BY THIS STATE OR ANY POLITICAL SUBDIVISION OF THIS STATE, OR THAT HAS RECEIVED A TAX INCENTIVE OR TAX CREDIT FROM THIS STATE OR ANY POLITICAL SUBDIVISION THIS STATE SHALL NOT MAKE AN INDEPENDENT EXPENDITURE UNTIL THAT CONTACT, GRANT, INCENTIVE, OR CREDIT HAS EXPIRED. A CORPORATION OR JOINT STOCK COMPANY THAT HAS APPLIED FOR, SUBMITTED A BID FOR, OR REQUESTED A CONTRACT, GRANT, OR TAX INCENTIVE OR CREDIT AS DESCRIBED IN THIS SUBSECTION, OR ANY RENEWAL OR EXTENSION THEREOF, SHALL NOT MAKE AN INDEPENDENT EXPENDITURE WHILE THE APPLICATION, BID, OR REQUEST IS PENDING.

(2) A CORPORATION OR JOINT STOCK COMPANY THAT ACCEPTS FEDERAL FINANCIAL ASSISTANCE UNDER THE FEDERAL TROUBLED ASSET RELIEF PROGRAM OR ANY SIMILAR FEDERAL PROGRAM SHALL NOT MAKE AN INDEPENDENT EXPENDITURE UNTIL IT REPAYS ANY FEDERAL FINANCIAL ASSISTANCE RECEIVED FROM THAT PROGRAM. AS USED IN THIS SUBSECTION, "TROUBLED ASSET RELIEF PROGRAM" MEANS THE TROUBLED ASSET RELIEF PROGRAM ESTABLISHED UNDER 12 USC 5211."

The motion did not prevail, the vote being 2-6-1.

UNFAVORABLE ROLL CALL:

Yeas: Rep. Byrum, Nathan,

Nays: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka,

Pass: None.

Rep. Byrum moved to amend HB 5086 as follows:

1. Amend page 13, following line 7, by inserting:

"SEC. 55D (1) A CORPORATION OR JOINT STOCK COMPANY SHALL NOT MAKE AN INDEPENDENT EXPENDITURE IF THAT CORPORATION OR JOINT STOCK COMPANY MEETS ANY OF THE FOLLOWING CONDITIONS:

(A) IS INCORPORATED IN, ORGANIZED UNDER THE LAWS OF, OR CREATED BY THE LAWS OF A FOREIGN COUNTRY.

(B) IS A SUBSIDIARY, AFFILIATE, DIVISION, OR JOINT VENTURE OF A CORPORATION OR JOINT STOCK COMPANY INCORPORATED IN, ORGANIZED UNDER THE LAWS OF, OR CREATED BY THE LAWS OF A FOREIGN COUNTRY.

(C) HAS RECEIVED, DIRECTLY OR INDIRECTLY, FUNDS FROM ANY SOURCE IN A FOREIGN COUNTRY, EXCEPT FUNDS RECEIVED AS BONA FIDE PAYMENT FOR GOODS OR SERVICES SOLD BY THE CORPORATION OR JOINT STOCK COMPANY IN A FOREIGN COUNTRY.

(D) A FOREIGN NATIONAL DIRECTLY OR INDIRECTLY OWNS OR CONTROLS 20% OR MORE OF THE VOTING SHARES OF THE CORPORATION OR JOINT STOCK COMPANY.

(E) A MAJORITY OF THE MEMBERS OF THE BOARD OF DIRECTORS OF THE CORPORATION OR JOINT STOCK COMPANY ARE FOREIGN NATIONALS.

(F) ONE OR MORE FOREIGN NATIONALS HAVE THE POWER TO DIRECT, DICTATE, OR CONTROL THE DECISION-MAKING PROCESS OF THE CORPORATION OR JOINT STOCK COMPANY WITH RESPECT TO ITS INTERESTS IN THE UNITED STATES.

(G) ONE OR MORE FOREIGN NATIONALS HAVE THE POWER TO DIRECT, DICTATE, OR CONTROL THE DECISION-MAKING PROCESS OF THE CORPORATION OR JOINT STOCK COMPANY WITH RESPECT TO ACTIVITIES IN CONNECTION WITH A FEDERAL, STATE, OR LOCAL ELECTION, INCLUDING THE MAKING OF AN INDEPENDENT EXPENDITURE.

(2) A PERSON SHALL NOT MAKE AN INDEPENDENT EXPENDITURE USING FUNDS THAT THE PERSON HAS RECEIVED FROM A CORPORATION OR JOINT STOCK COMPANY PROHIBITED FROM MAKING AN INDEPENDENT EXPENDITURE UNDER THIS ACT. THIS SUBSECTION DOES NOT APPLY TO SALARY OR COMPENSATION A PERSON RECEIVED FROM THAT PERSON'S EMPLOYMENT WITH A CORPORATION OR JOINT STOCK COMPANY.

(3) AS USED IN THIS SECTION, "FOREIGN NATIONAL" MEANS ANY OF THE FOLLOWING:

(A) AN INDIVIDUAL WHO IS NOT A CITIZEN OF THE UNITED STATES.

(B) A GOVERNMENT OF A FOREIGN COUNTRY OR OF A POLITICAL SUBDIVISION OF A FOREIGN COUNTRY.

(C) A PERSON WHO IS NOT AN INDIVIDUAL AND WHO IS NOT INCORPORATED IN, ORGANIZED UNDER THE LAWS OF, OR CREATED BY THE LAWS OF THE UNITED STATES OR ITS STATES AND TERRITORIES."

The motion did not prevail, the vote being 2-6-1.

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UNFAVORABLE ROLL CALL:

Yeas: Reps. Byrum, Nathan,

Nays: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka,

Pass: None.

Rep. Nathan moved to amend HB 5086 as follows:

1. Amend page 13, following line 7, by inserting:

"SEC. 55F. A CORPORATION OR JOINT STOCK COMPANY, DOMESTIC DEPENDENT SOVERIGN, OR LABOR ORGANIZATION THAT MAKES AN INDEPENDENT EXPENDITURE THAT VIOLATES THIS ACT IS SUBJECT TO A CIVIL FINE OF UP TO 4 TIMES THE AMOUNT OF THAT INDEPENDENT EXPENDITURE."

The motion did not prevail, the vote being 2-6-1.

UNFAVORABLE ROLL CALL:

Yeas: Reps. Byrum, Nathan,

Nays: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka,

Pass: None.

Rep. Outman moved to report out HB 5086, substitute H-2 with the recommendation that it pass.

The motion prevailed, the vote being 6-2-1.

FAVORABLE ROLL CALL:

Yeas: Reps. Lund, McBroom, Knollenberg, Tyler, Outman, Pscholka,

Nays: Reps. Byrum, Nathan,

Pass: None.

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With no further business to come before the Committee Chair Lund adjourned the meeting , the time being 10:10 a.m.

Representative Pete Lund, Chair

Mary Lou Terrien, Clerk