

# HOUSE BILL No. 4696

April 28, 2005, Introduced by Reps. Gosselin, Garfield, Shaffer, Stahl, Marleau and Sheen  
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 24, 33, and 35 (MCL 169.224, 169.233, and  
169.235), section 24 as amended by 1999 PA 237, section 33 as  
amended by 1999 PA 238, and section 35 as amended by 2000 PA 75.

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

1           Sec. 24. (1) A committee shall file a statement of  
2 organization with the filing officials designated in section 36 to  
3 receive the committee's campaign statements. A statement of  
4 organization shall be filed within 10 days after a committee is  
5 formed. A filing official shall maintain a statement of  
6 organization filed by a committee until 5 years after the official  
7 date of the committee's dissolution. A person who fails to file a

1 statement of organization required by this subsection shall pay a  
2 late filing fee of \$10.00 for each business day the statement  
3 remains not filed in violation of this subsection. The late filing  
4 fee shall not exceed \$300.00. A person who violates this subsection  
5 by failing to file for more than 30 days after a statement of  
6 organization is required to be filed is guilty of a misdemeanor  
7 punishable by a fine of not more than \$1,000.00.

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

10 (a) The name, street address, and if available, the telephone  
11 number of the committee. If a committee is a candidate committee,  
12 the committee name shall include the first and last name of the  
13 candidate. A committee address may be the home address of the  
14 candidate or treasurer of the committee.

15 (b) The name, street address, and if available, the telephone  
16 number of the treasurer or other individual designated as  
17 responsible for the committee's record keeping, report preparation,  
18 or report filing.

19 (c) The name and address of the financial institution in which  
20 the official committee depository is or is intended to be located,  
21 and the name and address of each financial institution in which a  
22 secondary depository is or is intended to be located.

23 (d) The full name of the office being sought by, including  
24 district number or jurisdiction, and the county residence of each  
25 candidate supported or opposed by the committee.

26 (e) A brief statement identifying the substance of each ballot  
27 question supported or opposed by the committee. If the ballot

1 question supported or opposed by the committee is not statewide,  
2 the committee shall identify the county in which the greatest  
3 number of registered voters eligible to vote on the ballot question  
4 reside.

5 (f) Identification of the committee as a candidate committee,  
6 political party committee, independent committee, political  
7 committee, or ballot question committee if it is identifiable as  
8 such a committee.

9 (3) An independent committee or political committee shall  
10 include in the name of the committee the name of the person or  
11 persons that sponsor the committee, if any, or with whom the  
12 committee is affiliated. A person, other than an individual or a  
13 committee, sponsors or is affiliated with an independent committee  
14 or political committee if that person establishes, directs,  
15 controls, or financially supports the administration of the  
16 committee. For the purposes of this subsection, a person does not  
17 financially support the administration of a committee by merely  
18 making a contribution to the committee.

19 (4) If any of the information required in a statement of  
20 organization is changed, the committee shall file an amendment when  
21 the next campaign statement is required to be filed. An independent  
22 committee or political committee whose name does not include the  
23 name of the person or persons that sponsor the committee or with  
24 whom the committee is affiliated as required by subsection (3)  
25 shall file an amendment to the committee's statement of  
26 organization not later than the date the next campaign statement is  
27 required to be filed after ~~the effective date of the amendatory~~

1 ~~act that added this sentence~~ **APRIL 1, 1995.**

2 (5) When filing a statement of organization, a committee,  
3 other than an independent committee, a political committee, or a  
4 political party committee, may indicate in a written statement  
5 signed by the treasurer of the committee that the committee does  
6 not expect for each election to receive an amount in excess of  
7 ~~\$1,000.00~~ **\$3,000.00** or expend an amount in excess of ~~-\$1,000.00~~  
8 **\$3,000.00**.

9 (6) When filing a statement of organization, an independent  
10 committee, a political committee, or a political party committee  
11 may indicate in a written statement signed by the treasurer of the  
12 committee that the committee does not expect in a calendar year to  
13 receive or expend an amount in excess of ~~-\$1,000.00~~ **\$3,000.00**.

14 (7) Upon the dissolution of a committee, the committee shall  
15 file a statement indicating dissolution with the filing officials  
16 with whom the committee's statement of organization was filed.  
17 Dissolution of a committee shall be accomplished pursuant to rules  
18 promulgated by the secretary of state under the administrative  
19 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

20 (8) A candidate committee that files a written statement  
21 pursuant to subsection (5) ~~shall not be~~ **IS NOT** required to file a  
22 dissolution statement pursuant to subsection (7) if the committee  
23 failed to receive or expend an amount in excess of ~~-\$1,000.00~~  
24 **\$3,000.00** and 1 of the following applies:

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

27 (b) The candidate vacates an elective office and has no

1 outstanding campaign debts or assets.

2       Sec. 33. (1) A committee, other than an independent committee  
3 or a political committee required to file with the secretary of  
4 state, supporting or opposing a candidate shall file complete  
5 campaign statements as required by this act and the rules  
6 promulgated under this act. The campaign statements shall be filed  
7 according to the following schedule:

8       (a) A preelection campaign statement shall be filed not later  
9 than the eleventh day before an election. The closing date for a  
10 campaign statement filed under this subdivision shall be the  
11 sixteenth day before the election.

12       (b) A postelection campaign statement shall be filed not later  
13 than the thirtieth day following the election. The closing date for  
14 a campaign statement filed under this subdivision shall be the  
15 twentieth day following the election. A committee supporting a  
16 candidate who loses the primary election shall file closing  
17 campaign statements in accordance with this section. If all  
18 liabilities of such a candidate or committee are paid before the  
19 closing date and additional contributions are not expected, the  
20 campaign statement may be filed at any time after the election, but  
21 not later than the thirtieth day following the election.

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

23       (a) A candidate committee shall file a preelection campaign  
24 statement and a postelection campaign statement for each election  
25 in which the candidate seeks nomination or election. ~~—except~~  
26 **HOWEVER,** if an individual becomes a candidate after the closing  
27 date for the preelection campaign statement, only the postelection

1 campaign statement is required for that election.

2 (b) A committee other than a candidate committee shall file a  
3 campaign statement for each period during which expenditures are  
4 made for the purpose of influencing the nomination or election of a  
5 candidate or for the qualification, passage, or defeat of a ballot  
6 question.

7 (3) An independent committee or a political committee other  
8 than a house political party caucus committee or senate political  
9 party caucus committee required to file with the secretary of state  
10 shall file campaign statements as required by this act according to  
11 the following schedule:

12 (a) In an odd numbered year:

13 (i) Not later than January 31 ~~of that year~~ with a closing  
14 date of December 31 of the previous year.

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

16 (iii) Not later than October 25 with a closing date of October  
17 20.

18 (b) In an even numbered year:

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

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

22 (iii) Not later than October 25 with a closing date of October  
23 20.

24 (4) A house political party caucus committee or a senate  
25 political party caucus committee required to file with the  
26 secretary of state shall file campaign statements as required by  
27 this act according to the following schedule:

1 (a) Not later than January 31 of each year with a closing date  
2 of December 31 of the immediately preceding year.

3 (b) Not later than April 25 of each year with a closing date  
4 of April 20 of that year.

5 (c) Not later than July 25 of each year with a closing date of  
6 July 20 of that year.

7 (d) Not later than October 25 of each year with a closing date  
8 of October 20 of that year.

9 (e) For the period beginning on the fourteenth day immediately  
10 preceding a primary or special primary election and ending on the  
11 day immediately following the primary or special primary election,  
12 not later than 4 p.m. each business day with a closing date of the  
13 immediately preceding day, only for a contribution received or  
14 expenditure made that exceeds \$1,000.00 per day.

15 (f) For the period beginning on the fourteenth day immediately  
16 preceding a general or special election and ending on the day  
17 immediately following the general or special election, not later  
18 than 4 p.m. each business day with a closing date of the  
19 immediately preceding day, only for a contribution received or  
20 expenditure made that exceeds \$1,000.00 per day.

21 (5) Notwithstanding subsection (3) or (4), ~~or section 51,~~ if  
22 an independent expenditure is made within 45 days before a special  
23 election by an independent committee or a political committee  
24 required to file a campaign statement with the secretary of state,  
25 a report of the expenditure shall be filed by the committee with  
26 the secretary of state within 48 hours after the expenditure. The  
27 report shall be made on a form provided by the secretary of state

1 and shall include the date of the independent expenditure, the  
2 amount of the expenditure, a brief description of the nature of the  
3 expenditure, and the name and address of the person to whom the  
4 expenditure was paid. The brief description of the expenditure  
5 shall include either the name of the candidate and the office  
6 sought by the candidate or the name of the ballot question and  
7 shall state whether the expenditure supports or opposes the  
8 candidate or ballot question. This subsection does not apply if the  
9 committee is required to report the independent expenditure in a  
10 campaign statement that is required to be filed before the date of  
11 the election for which the expenditure was made.

12 (6) A candidate committee or a committee other than a  
13 candidate committee that files a written statement under section  
14 24(5) or (6) need not file a campaign statement under subsection  
15 (1), (3), or (4) unless it received or expended an amount in excess  
16 of ~~-\$1,000.00~~ **\$3,000.00**. If the committee receives or expends an  
17 amount in excess of ~~-\$1,000.00~~ **\$3,000.00** during a period covered  
18 by a filing, the committee is then subject to the campaign filing  
19 requirements under this act.

20 (7) A committee, candidate, treasurer, or other individual  
21 designated as responsible for the committee's record keeping,  
22 report preparation, or report filing who fails to file a statement  
23 as required by this section shall pay a late filing fee. If the  
24 committee has raised \$10,000.00 or less during the previous 2  
25 years, the late filing fee shall be \$25.00 for each business day  
26 the statement remains unfiled, but not to exceed \$500.00. If the  
27 committee has raised more than \$10,000.00 during the previous 2

1 years, the late filing fee shall not exceed \$1,000.00, determined  
2 as follows:

3 (a) Twenty-five dollars for each business day the report  
4 remains unfiled.

5 (b) An additional \$25.00 for each business day after the first  
6 3 business days the report remains unfiled.

7 (c) An additional \$50.00 for each business day after the first  
8 10 business days the report remains unfiled.

9 (8) If a candidate, treasurer, or other individual designated  
10 as responsible for the committee's record keeping, report  
11 preparation, or report filing fails to file 2 statements required  
12 by this section or section 35 and both of the statements remain  
13 unfiled for more than 30 days, that candidate, treasurer, or other  
14 designated individual is guilty of a misdemeanor, punishable by a  
15 fine of not more than \$1,000.00, or imprisonment for not more than  
16 90 days, or both.

17 (9) If a candidate is found guilty of a violation of this  
18 section, the circuit court for that county, on application by the  
19 attorney general or the prosecuting attorney of that county, may  
20 prohibit that candidate from assuming the duties of a public office  
21 or from receiving compensation from public funds, or both.

22 (10) If a treasurer or other individual designated as  
23 responsible for a committee's record keeping, report preparation,  
24 or report filing knowingly files an incomplete or inaccurate  
25 statement or report required by this section, that treasurer or  
26 other designated individual is subject to a civil fine of not more  
27 than \$1,000.00.

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 campaign statement  
5 not later than January 31 of each year. The campaign statement  
6 shall have a closing date of December 31 of the previous year. The  
7 period covered by the campaign statement filed pursuant to this  
8 subsection begins the day after the closing date of the previous  
9 campaign statement. A campaign statement filed pursuant to this  
10 subsection shall be waived if a postelection campaign statement has  
11 been filed that has a filing deadline within 30 days of the closing  
12 date of the campaign statement required by this subsection.

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

19           (3) A committee, candidate, treasurer, or other individual  
20 designated as responsible for the record keeping, report  
21 preparation, or report filing for a candidate committee of a  
22 candidate for state elective office or a judicial office who fails  
23 to file a campaign statement under this section shall be assessed a  
24 late filing fee. If the committee has raised \$10,000.00 or less  
25 during the previous 2 years, the late filing fee shall be \$25.00  
26 for each business day the campaign statement remains unfiled, but  
27 not to exceed \$500.00. If the committee has raised more than

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

14 (4) A committee filing a written statement pursuant to section  
15 24(5) or (6) need not file a statement in accordance with  
16 subsection (1). If a committee receives or expends more than  
17 ~~\$1,000.00~~ **\$3,000.00** during a time period prescribed by section  
18 24(5) or (6), the committee is then subject to the campaign filing  
19 requirements under this act and shall file a campaign statement for  
20 the period beginning the day after the closing date of the last  
21 postelection campaign statement or an annual campaign statement  
22 that is waived pursuant to subsection (1), whichever occurred  
23 earlier.

24 (5) If a candidate, treasurer, or other individual designated  
25 as responsible for the record keeping, report preparation, or  
26 report filing fails to file 2 statements required by this section  
27 or section 33 and both of the statements remain unfiled for more

1 than 30 days, that candidate, treasurer, or other designated  
2 individual is guilty of a misdemeanor, punishable by a fine of not  
3 more than \$1,000.00, or imprisonment for not more than 90 days, or  
4 both.

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