

# SENATE BILL No. 638

December 3, 2015, Introduced by Senator ROBERTSON and referred to the Committee on Elections and Government Reform.

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending sections 3, 5, 9, 11, 24, 33, 35, 47, 51, 54, and 55 (MCL 169.203, 169.205, 169.209, 169.211, 169.224, 169.233, 169.235, 169.247, 169.251, 169.254, and 169.255), sections 3, 11, and 35 as amended by 2012 PA 273, sections 5 and 24 as amended by 1999 PA 237, section 9 as amended by 2012 PA 275, sections 33, 47, and 55 as amended by 2013 PA 252, section 51 as amended by 1989 PA 95, and section 54 as amended by 1995 PA 264, and by adding section 24b.

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

1           Sec. 3. (1) "Candidate" means an individual who meets 1 or  
2 more of the following criteria:

3           (a) Files a fee, an affidavit of incumbency, or a nominating  
4 petition for an elective office.

1 (b) Is nominated as a candidate for elective office by a  
2 political party caucus or convention and whose nomination is  
3 certified to the appropriate filing official.

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

11 (d) Is an officeholder who is the subject of a recall vote.

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 individual described in this subdivision is considered  
16 to be a candidate for reelection to that same office for the  
17 purposes of this act only.

18 For purposes of sections 61 to 71, "candidate" only means, in  
19 a primary election, a candidate for the office of governor and, in  
20 a general election, a candidate for the office of governor or  
21 lieutenant governor. However, the candidates for the office of  
22 governor and lieutenant governor of the same political party in a  
23 general election ~~shall be~~ **ARE** considered as 1 candidate.

24 (2) "Candidate committee" means the committee designated in a  
25 candidate's filed statement of organization as that individual's  
26 candidate committee. A candidate committee shall be under the  
27 control and direction of the candidate named in the same statement

1 of organization. Notwithstanding subsection (4), an individual  
2 shall form a candidate committee under section 21 if the individual  
3 becomes a candidate under subsection (1).

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

6 (4) "Committee" means a person ~~who~~**THAT** receives contributions  
7 or makes expenditures for the purpose of influencing or attempting  
8 to influence the action of the voters for or against the nomination  
9 or election of a candidate, the qualification, passage, or defeat  
10 of a ballot question, or the qualification of a new political  
11 party, if contributions received total \$500.00 or more in a  
12 calendar year or expenditures made total \$500.00 or more in a  
13 calendar year. An individual, other than a candidate, does not  
14 constitute a committee. A person, other than a committee registered  
15 under this act, making ~~an expenditure~~**A CONTRIBUTION** to a ballot  
16 question committee **OR AN INDEPENDENT EXPENDITURE COMMITTEE**, shall  
17 not, for that reason, be considered a committee for the purposes of  
18 this act unless the person solicits or receives contributions for  
19 the purpose of making an expenditure to that ballot question  
20 committee **OR INDEPENDENT EXPENDITURE COMMITTEE**.

21 Sec. 5. (1) "Domestic dependent sovereign" means an Indian  
22 tribe that has been acknowledged, recognized, restored, or  
23 reaffirmed as an Indian tribe by the secretary of the interior  
24 pursuant to ~~chapter 576, 48 Stat. 984,~~ 25 U.S.C. ~~USC~~ 461 to 463,  
25 464 to 465, 466 to 470, 471 to 472, 473, 474 to 475, 476 to 478,  
26 and 479, **494A**, commonly referred to as the Indian reorganization  
27 act, or has otherwise been acknowledged by the United States

1 government as an Indian tribe.

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

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

7 (a) For a general election, the period beginning the day  
8 following the last general election in which the office appeared on  
9 the ballot and ending on the day of the general election in which  
10 the office next appears on the ballot.

11 (b) For a special election, the period beginning the day a  
12 special general election is called or the date the office becomes  
13 vacant, whichever is earlier, and ending on the day of the special  
14 general election.

15 (4) "Elective office" means a public office filled by an  
16 election. A person who is appointed to fill a vacancy in a public  
17 office that is ordinarily elective holds an elective office.  
18 Elective office does not include the office of precinct delegate.  
19 Except for the purposes of sections 47, 54, and 55, elective office  
20 does not include a school board member in a school district that  
21 has a pupil membership of 2,400 or less enrolled on the most recent  
22 pupil membership count day. However, elective office includes a  
23 school board member in a school district that has a pupil  
24 membership of 2,400 or less, if a candidate committee of a  
25 candidate for the office of school board member in that school  
26 district receives an amount in excess of \$1,000.00 or expends an  
27 amount in excess of \$1,000.00. Elective office does not include a

1 federal office except for the purposes of section 57.

2       Sec. 9. (1) "Incidental expense" means an expenditure that is  
3 an ordinary and necessary expense, paid or incurred in carrying out  
4 the business of an elective office. Incidental expense includes,  
5 but is not limited to, any of the following:

6       (a) A disbursement necessary to assist, serve, or communicate  
7 with a constituent.

8       (b) A disbursement for equipment, furnishings, or supplies for  
9 the office of the public official.

10       (c) A disbursement for a district office if the district  
11 office is not used for campaign-related activity.

12       (d) A disbursement for the public official or his or her  
13 staff, or both, to attend a conference, meeting, reception, or  
14 other similar event.

15       (e) A disbursement to maintain a publicly owned residence or a  
16 temporary residence at the seat of government.

17       (f) An unreimbursed disbursement for travel, lodging, meals,  
18 or other expenses incurred by the public official, a member of the  
19 public official's immediate family, or a member of the public  
20 official's staff in carrying out the business of the elective  
21 office.

22       (g) A donation to a tax-exempt charitable organization,  
23 including the purchase of tickets to charitable or civic events.

24       (h) A disbursement to a ballot question committee.

25       (i) A purchase of tickets for use by that public official and  
26 members of his or her immediate family and staff to a fund-raising  
27 event sponsored by a candidate committee, independent committee,

1 political party committee, or a political committee that does not  
2 exceed \$100.00 per committee in any calendar year.

3 (j) A disbursement for an educational course or seminar that  
4 maintains or improves skills employed by the public official in  
5 carrying out the business of the elective office.

6 (k) A purchase of advertisements in testimonials, program  
7 books, souvenir books, or other publications if the advertisement  
8 does not support or oppose the nomination or election of a  
9 candidate.

10 (l) A disbursement for consultation, research, polling, and  
11 photographic services not related to a campaign.

12 (m) A fee paid to a fraternal, veteran, or other service  
13 organization.

14 (n) A payment of a tax liability incurred as a result of  
15 authorized transactions by the candidate committee of the public  
16 official.

17 (o) A fee for accounting, professional, or administrative  
18 services for the candidate committee of the public official.

19 (p) A debt or obligation incurred by the candidate committee  
20 of a public official for a disbursement authorized by subdivisions  
21 (a) to (o), if the debt or obligation was reported in the candidate  
22 committee report filed for the year in which the debt or obligation  
23 arose.

24 (2) "Independent expenditure" means an expenditure by a person  
25 if the expenditure is not made ~~at the direction of, or under the~~  
26 ~~control of, another person and if the expenditure is not a~~  
27 ~~contribution to a committee.~~ **IN CONCERT OR COOPERATION WITH, OR AT**

1 THE REQUEST OR SUGGESTION OF, A BALLOT QUESTION COMMITTEE OR A  
2 CANDIDATE, A CANDIDATE'S AUTHORIZED POLITICAL COMMITTEE OR ITS  
3 AGENTS, OR A POLITICAL PARTY COMMITTEE OR ITS AGENTS, AND IS NOT A  
4 CONTRIBUTION MADE DIRECTLY TO A CANDIDATE'S AUTHORIZED POLITICAL  
5 COMMITTEE OR A POLITICAL PARTY COMMITTEE.

6 (3) "INDEPENDENT EXPENDITURE COMMITTEE" MEANS A COMMITTEE THAT  
7 RECEIVES CONTRIBUTIONS AND MAKES INDEPENDENT EXPENDITURES PURSUANT  
8 TO THIS ACT, EXPENDITURES AUTHORIZED UNDER THIS ACT, OR  
9 DISBURSEMENTS NOT PROHIBITED BY THIS ACT.

10 (4) ~~(3)~~—"In-kind contribution or expenditure" means a  
11 contribution or expenditure other than money.

12 (5) ~~(4)~~—"Loan" means a transfer of money, property, or  
13 anything of ascertainable monetary value in exchange for an  
14 obligation, conditional or not, to repay in whole or part.

15 (6) ~~(5)~~—"Local elective office" means an elective office at  
16 the local unit of government level. Local elective office also  
17 includes judge of the court of appeals, judge of the circuit court,  
18 ~~judge of the recorder's court of the city of Detroit,~~ judge of the  
19 district court, judge of the probate court, and judge of a  
20 municipal court.

21 (7) ~~(6)~~—"Local unit of government" means a district,  
22 authority, county, city, village, township, board, school district,  
23 intermediate school district, or community college district.

24 Sec. 11. (1) "Payroll deduction plan" means any system in  
25 which an employer deducts any amount of money from the wages,  
26 earnings, or compensation of an employee.

27 (2) "Person" means a business, individual, proprietorship,

1 **LIMITED LIABILITY COMPANY**, firm, partnership, joint venture,  
2 syndicate, business trust, labor organization, company,  
3 corporation, association, **DOMESTIC DEPENDENT SOVEREIGN**, committee,  
4 or any other organization or group of persons acting jointly.

5 (3) "Political committee" means a committee that is not a  
6 candidate committee, political party committee, independent  
7 committee, or ballot question committee.

8 (4) "Political merchandise" means goods such as bumper  
9 stickers, pins, hats, beverages, literature, or other items sold by  
10 a person at a fund raiser or to the general public for publicity or  
11 for the purpose of raising funds to be used in supporting or  
12 opposing a candidate for nomination for or election to an elective  
13 office, in supporting or opposing the qualification, passage, or  
14 defeat of a ballot question, or in supporting or opposing the  
15 qualification of a new political party.

16 (5) "Political party" means a political party that has a right  
17 under law to have the names of its candidates listed on the ballot  
18 in a general election.

19 (6) "Political party committee" means a state central,  
20 district, or county committee of a political party or a party  
21 attempting to qualify as a new political party under section 685 of  
22 the Michigan election law, 1954 PA 116, MCL 168.685, that is a  
23 committee. Each state central committee shall designate the  
24 official party county and district committees. There shall not be  
25 more than 1 officially designated political party committee per  
26 county and per congressional district.

27 (7) "Public body" means 1 or more of the following:



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

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

6 (c) A county, city, township, village, intercounty, intercity,  
7 or regional governing body; a council, school district, special  
8 district, or municipal corporation; or a board, department,  
9 commission, or council or an agency of a board, department,  
10 commission, or council.

11 (d) Any other body that is created by state or local authority  
12 or is primarily funded by or through state or local authority, if  
13 the body exercises governmental or proprietary authority or  
14 performs a governmental or proprietary function.

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

1 guilty of a misdemeanor punishable by a fine of not more than  
2 \$1,000.00.

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

5 (a) The name, street address, and, if available, the  
6 **ELECTRONIC MAIL ADDRESS AND** telephone number of the committee, **AND**  
7 **THE ELECTRONIC MAIL ADDRESS OF THE CANDIDATE**. If a committee is a  
8 candidate committee, the committee name shall include the first and  
9 last name of the candidate. A committee address may be the home  
10 address of the candidate or treasurer of the committee.

11 (b) The name, street address, and, if available, the  
12 **ELECTRONIC MAIL ADDRESS AND** telephone number of the treasurer or  
13 other individual designated as responsible for the committee's  
14 record keeping, report preparation, or report filing.

15 (c) The name and address of the financial institution in which  
16 the official committee depository is or is intended to be located,  
17 and the name and address of each financial institution in which a  
18 secondary depository is or is intended to be located.

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

22 (e) A brief statement identifying the substance of each ballot  
23 question supported or opposed by the committee. If the ballot  
24 question supported or opposed by the committee is not statewide,  
25 the committee shall identify the county in which the greatest  
26 number of registered voters eligible to vote on the ballot question  
27 reside.

1 (f) Identification of the committee as a candidate committee,  
2 political party committee, independent committee, political  
3 committee, or ballot question committee if it is identifiable as  
4 such a committee.

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

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

25 (5) When filing a statement of organization, a committee,  
26 other than an independent committee, a political committee, or a  
27 political party committee, may indicate in a written statement

1 signed by the treasurer of the committee that the committee does  
2 not expect for each election to receive an amount in excess of  
3 \$1,000.00 or expend an amount in excess of \$1,000.00.

4 (6) When filing a statement of organization, an independent  
5 committee, a political committee, or a political party committee  
6 may indicate in a written statement signed by the treasurer of the  
7 committee that the committee does not expect in a calendar year to  
8 receive or expend an amount in excess of \$1,000.00.

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

15 (8) A candidate committee that files a written statement  
16 ~~pursuant to UNDER~~ subsection (5) ~~shall~~ **IS** not ~~be~~ required to file a  
17 dissolution statement ~~pursuant to UNDER~~ subsection (7) if the  
18 committee failed to receive or expend an amount in excess of  
19 \$1,000.00 and 1 of the following applies:

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

22 (b) The candidate vacates an elective office and has no  
23 outstanding campaign debts or assets.

24 **SEC. 24B. (1) ONE OR MORE PERSONS MAY CREATE AND MAINTAIN AN**  
25 **INDEPENDENT EXPENDITURE COMMITTEE AND SHALL FILE A STATEMENT OF**  
26 **ORGANIZATION UNDER SECTION 24.**

27 **(2) IF A PERSON THAT CREATES AN INDEPENDENT EXPENDITURE**

1 COMMITTEE UNDER SUBSECTION (1) IS A CORPORATION, JOINT STOCK  
2 COMPANY, DOMESTIC DEPENDENT SOVEREIGN, OR LABOR ORGANIZATION, THE  
3 NAME OF THE INDEPENDENT EXPENDITURE COMMITTEE SHALL CONTAIN THE  
4 NAME OF THE PERSON, OR ITS ACRONYM IF THAT ACRONYM REASONABLY  
5 IDENTIFIES THE PERSON CREATING THE COMMITTEE.

6 (3) IN ADDITION TO ANY INDEPENDENT EXPENDITURES, AN  
7 INDEPENDENT EXPENDITURE COMMITTEE MAY MAKE UNLIMITED CONTRIBUTIONS  
8 TO ANOTHER INDEPENDENT EXPENDITURE COMMITTEE, TO A BALLOT QUESTION  
9 COMMITTEE, TO A PERSON OR ACCOUNT NOT SUBJECT TO THIS ACT, OR FOR  
10 ANY OTHER LAWFUL PURPOSE.

11 (4) AN INDEPENDENT EXPENDITURE COMMITTEE MAY RECEIVE  
12 CONTRIBUTIONS FROM ANY PERSON, EXCEPT A PERSON PROHIBITED FROM  
13 MAKING A CONTRIBUTION UNDER 52 USC 30121. AN INDEPENDENT  
14 EXPENDITURE COMMITTEE SHALL RETURN A CONTRIBUTION MADE BY A PERSON  
15 PROHIBITED FROM MAKING A CONTRIBUTION UNDER THIS SUBSECTION WITHIN  
16 30 BUSINESS DAYS AFTER RECEIVING THAT CONTRIBUTION.

17 (5) AN INDEPENDENT EXPENDITURE COMMITTEE MAY USE AN ATTORNEY  
18 OR OTHER VENDOR THAT IS ALSO USED BY A BALLOT QUESTION COMMITTEE,  
19 CANDIDATE, CANDIDATE COMMITTEE, OR POLITICAL PARTY COMMITTEE THAT  
20 IS THE SUBJECT OR BENEFICIARY OF THE INDEPENDENT EXPENDITURE,  
21 WITHOUT DEFEATING THE INDEPENDENT NATURE OF THE INDEPENDENT  
22 EXPENDITURE, IF THE ATTORNEY OR VENDOR DOES NOT CONVEY MATERIAL  
23 INFORMATION TO THE INDEPENDENT EXPENDITURE COMMITTEE ABOUT THE  
24 CAMPAIGN PLANS, PROJECTS, ACTIVITIES, OR NEEDS OF THE BALLOT  
25 QUESTION COMMITTEE, CANDIDATE, CANDIDATE COMMITTEE, OR POLITICAL  
26 PARTY COMMITTEE. AS USED IN THIS SUBSECTION, "MATERIAL INFORMATION"  
27 MEANS INFORMATION THAT IS MATERIAL TO THE CREATION, PRODUCTION, OR

1 DISTRIBUTION OF THE INDEPENDENT EXPENDITURE BY THE INDEPENDENT  
2 EXPENDITURE COMMITTEE.

3 (6) AN INDEPENDENT EXPENDITURE IS NOT PRECLUDED UNDER ANY OF  
4 THE FOLLOWING:

5 (A) WHERE A CANDIDATE OR HIS OR HER AGENT, A CANDIDATE  
6 COMMITTEE OR ITS AGENT, OR A POLITICAL PARTY COMMITTEE OR ITS AGENT  
7 SOLICITS CONTRIBUTIONS ON BEHALF OF A PERSON THAT MAY FINANCE  
8 INDEPENDENT EXPENDITURES ON BEHALF OF CANDIDATES AND POLITICAL  
9 PARTIES, INCLUDING THE CANDIDATE OR POLITICAL PARTY SOLICITING  
10 CONTRIBUTIONS ON BEHALF OF THAT PERSON.

11 (B) WHERE AN INDEPENDENT EXPENDITURE COMMITTEE OR A PERSON  
12 ENGAGES AGENTS OR VENDORS OF CANDIDATES, CANDIDATE COMMITTEES, OR  
13 POLITICAL PARTY COMMITTEES TO ASSIST THAT INDEPENDENT EXPENDITURE  
14 COMMITTEE OR PERSON IN AREAS UNRELATED TO PREPARING AN INDEPENDENT  
15 EXPENDITURE SUBJECT TO THIS ACT, INCLUDING, BUT NOT LIMITED TO,  
16 AGENTS OR VENDORS PROVIDING FUND-RAISING, LEGAL, ACCOUNTING, STUDIO  
17 RENTAL, AND OTHER SERVICES UNRELATED TO PREPARING AN INDEPENDENT  
18 EXPENDITURE SUBJECT TO THIS ACT.

19 Sec. 33. (1) A committee, other than an independent committee,  
20 AN INDEPENDENT EXPENDITURE COMMITTEE, or a political committee  
21 required to file with the secretary of state, supporting or  
22 opposing a candidate shall file complete campaign statements as  
23 required by this act and the rules promulgated under this act. The  
24 campaign statements shall be filed according to the following  
25 schedule:

26 (a) A preelection campaign statement shall be filed not later  
27 than the eleventh day before an election. The closing date for a

1 campaign statement filed under this subdivision shall be the  
2 sixteenth day before the election.

3 (b) A postelection campaign statement shall be filed not later  
4 than the thirtieth day following the election. The closing date for  
5 a campaign statement filed under this subdivision shall be the  
6 twentieth day following the election. A committee supporting a  
7 candidate who loses the primary election shall file closing  
8 campaign statements in accordance with this section. If all  
9 liabilities of that candidate or committee are paid before the  
10 closing date and additional contributions are not expected, the  
11 campaign statement may be filed at any time after the election, but  
12 not later than the thirtieth day following the election.

13 (c) In a year in which there is no election for the candidate  
14 the committee is supporting or opposing:

15 (i) Not later than July 25 with a closing date of July 20 of  
16 that year.

17 (ii) Not later than October 25 with a closing date of October  
18 20 of that year.

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

20 (a) A candidate committee shall file a preelection campaign  
21 statement and a postelection campaign statement for each election  
22 in which the candidate seeks nomination or election, except if an  
23 individual becomes a candidate after the closing date for the  
24 preelection campaign statement only the postelection campaign  
25 statement is required for that election.

26 (b) A committee other than a candidate committee shall file a  
27 campaign statement for each period during which expenditures are

1 made for the purpose of influencing the nomination or election of a  
2 candidate or for the qualification, passage, or defeat of a ballot  
3 question.

4 (3) An independent committee, **AN INDEPENDENT EXPENDITURE**  
5 **COMMITTEE**, or a political committee other than a house political  
6 party caucus committee or senate political party caucus committee  
7 required to file with the secretary of state shall file campaign  
8 statements as required by this act according to the following  
9 schedule:

10 ~~—— (a) Not later than February 15 of each year with a closing~~  
11 ~~date of February 10 of that year.~~

12 (A) ~~(b)~~ Not later than April 25 of each year with a closing  
13 date of April 20 of that year.

14 (B) ~~(c)~~ Not later than July 25 of each year with a closing  
15 date of July 20 of that year.

16 (C) ~~(d)~~ Not later than October 25 of each year with a closing  
17 date of October 20 of that year.

18 (4) A house political party caucus committee or a senate  
19 political party caucus committee required to file with the  
20 secretary of state or a political party committee for a party  
21 attempting to qualify as a new political party under section 685 of  
22 the Michigan election law, 1954 PA 116, MCL 168.685, shall file  
23 campaign statements as required by this act according to the  
24 following schedule:

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

27 (b) Not later than April 25 of each year with a closing date



1 of April 20 of that year.

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

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

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

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

18 (5) Notwithstanding subsection (3) or (4) or section 51, if an  
19 independent expenditure is made within 45 days before a special  
20 election by an independent committee, **INDEPENDENT EXPENDITURE**  
21 **COMMITTEE**, or a political committee required to file a campaign  
22 statement with the secretary of state, a report of the expenditure  
23 shall be filed by the committee with the secretary of state within  
24 48 hours after the expenditure. The report shall be made on a form  
25 provided by the secretary of state and shall include the date of  
26 the independent expenditure, the amount of the expenditure, a brief  
27 description of the nature of the expenditure, and the name and

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

9 (6) A candidate committee or a committee other than a  
10 candidate committee that files a written statement under section  
11 24(5) or (6) is not required to file a campaign statement under  
12 subsection (1), (3), or (4) unless it received or expended an  
13 amount in excess of \$1,000.00. If the committee receives or expends  
14 an amount in excess of \$1,000.00 during a period covered by a  
15 filing, the committee is then subject to the campaign filing  
16 requirements under this act.

17 (7) A committee, candidate, treasurer, or other individual  
18 designated as responsible for the committee's record keeping,  
19 report preparation, or report filing who fails to file a statement  
20 as required by this section shall pay a late filing fee. If the  
21 committee has raised \$10,000.00 or less during the previous 2  
22 years, the late filing fee shall be \$25.00 for each business day  
23 the statement remains unfiled, but not to exceed \$500.00. If the  
24 committee has raised more than \$10,000.00 during the previous 2  
25 years, the late filing fee shall not exceed \$1,000.00, determined  
26 as follows:

27 (a) Twenty-five dollars for each business day the report

1 remains unfiled.

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

4 (c) An additional \$50.00 for each business day after the first  
5 10 business days the report remains unfiled.

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

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

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

24 (11) If a candidate, treasurer, or other individual designated  
25 as responsible for a committee's record keeping, report  
26 preparation, or report filing knowingly omits or underreports  
27 individual contributions or individual expenditures required to be

1 disclosed by this act, that individual is subject to a civil fine  
2 of not more than \$1,000.00 or the amount of the contributions and  
3 expenditures omitted or underreported, whichever is greater.

4 (12) If a candidate committee's account has a balance of  
5 \$20,000.00 or more and a candidate, treasurer, or other individual  
6 designated as responsible for that committee's record keeping,  
7 report preparation, or report filing fails to file campaign  
8 statements required under this act for 2 consecutive years, that  
9 candidate, treasurer, or other individual is guilty of a felony  
10 punishable by imprisonment for not more than 3 years or a fine of  
11 not more than \$5,000.00, or both. Any money in a candidate  
12 committee account described in this subsection is subject to  
13 seizure by, and forfeiture to, this state as provided in this  
14 section.

15 (13) Not more than 5 business days after seizure of money  
16 under subsection (12), the secretary of state shall deliver  
17 personally or by registered mail to the last known address of the  
18 candidate from whom the seizure was made an inventory statement of  
19 the money seized. The inventory statement shall also contain notice  
20 to the effect that unless demand for hearing as provided in this  
21 section is made within 10 business days, the money is forfeited to  
22 this state. Within 10 business days after the date of service of  
23 the notice, the candidate may by registered mail, facsimile  
24 transmission, or personal service file with the secretary of state  
25 a demand for a hearing before the secretary of state or a person  
26 designated by the secretary of state for a determination as to  
27 whether the money was lawfully subject to seizure and forfeiture.

1 The candidate is entitled to appear before the secretary of state  
2 or a person designated by the secretary of state, to be represented  
3 by counsel, and to present testimony and argument. Upon receipt of  
4 a request for hearing, the secretary of state or a person  
5 designated by the secretary of state shall hold the hearing within  
6 15 business days. The hearing is not a contested case proceeding  
7 and is not subject to the administrative procedures act of 1969,  
8 1969 PA 306, MCL 24.201 to 24.328. After the hearing, the secretary  
9 of state or a person designated by the secretary of state shall  
10 render a decision in writing within 10 business days of the hearing  
11 and, by order, shall either declare the money subject to seizure  
12 and forfeiture or declare the money returnable to the candidate.  
13 If, within 10 business days after the date of service of the  
14 inventory statement, the candidate does not file with the secretary  
15 of state a demand for a hearing before the secretary of state or a  
16 person designated by the secretary of state, the money seized is  
17 forfeited to this state by operation of law. If, after a hearing  
18 before the secretary of state or a person designated by the  
19 secretary of state, the secretary of state or a person designated  
20 by the secretary of state determines that the money is lawfully  
21 subject to seizure and forfeiture and the candidate does not appeal  
22 to the circuit court of the county in which the seizure was made  
23 within the time prescribed in this section, the money seized is  
24 forfeited to this state by operation of law. If a candidate is  
25 aggrieved by the decision of the secretary of state or a person  
26 designated by the secretary of state, that candidate may appeal to  
27 the circuit court of the county where the seizure was made to

1 obtain a judicial determination of the lawfulness of the seizure  
2 and forfeiture. The action shall be commenced within 20 days after  
3 notice of a determination by the secretary of state or a person  
4 designated by the secretary of state is sent to the candidate. The  
5 court shall hear the action and determine the issues of fact and  
6 law involved in accordance with rules of practice and procedure as  
7 in other in rem proceedings.

8       Sec. 35. (1) In addition to any other requirements of this act  
9 for filing a campaign statement, a committee, other than an  
10 independent committee, **AN INDEPENDENT EXPENDITURE COMMITTEE**, or a  
11 political committee required to file with the secretary of state,  
12 shall also file a campaign statement not later than January 31 of  
13 each year. The campaign statement shall have a closing date of  
14 December 31 of the previous year. The period covered by the  
15 campaign statement filed under this subsection begins the day after  
16 the closing date of the previous campaign statement. A campaign  
17 statement filed under this subsection shall be waived if a  
18 postelection campaign statement has been filed that has a filing  
19 deadline within 30 days of the closing date of the campaign  
20 statement required by this subsection.

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

27       (3) A committee, candidate, treasurer, or other individual

1 designated as responsible for the record keeping, report  
2 preparation, or report filing for a candidate committee of a  
3 candidate for state elective office or a judicial office who fails  
4 to file a campaign statement under this section shall be assessed a  
5 late filing fee. If the committee has raised \$10,000.00 or less  
6 during the previous 2 years, the late filing fee shall be \$25.00  
7 for each business day the campaign statement remains unfiled, but  
8 not to exceed \$500.00. If the committee has raised more than  
9 \$10,000.00 during the previous 2 years, the late filing fee shall  
10 be \$50.00 for each business day the campaign statement remains  
11 unfiled, but not to exceed \$1,000.00. The late filing fee assessed  
12 under this subsection shall be paid by the candidate, and the  
13 candidate shall not use committee funds to pay that fee. A  
14 committee, treasurer, or other individual designated as responsible  
15 for the record keeping, report preparation, or report filing for a  
16 committee other than a candidate committee of a candidate for state  
17 elective office or a judicial office who fails to file a campaign  
18 statement under this section shall pay a late filing fee of \$25.00  
19 for each business day the campaign statement remains not filed in  
20 violation of this section. The late filing fee shall not exceed  
21 \$500.00.

22 (4) A committee filing a written statement under section 24(5)  
23 or (6) need not file a statement in accordance with subsection (1).  
24 If a committee receives or expends more than \$1,000.00 during a  
25 time period prescribed by section 24(5) or (6), the committee is  
26 then subject to the campaign filing requirements under this act and  
27 shall file a campaign statement for the period beginning the day

1 after the closing date of the last postelection campaign statement  
2 or an annual campaign statement that is waived under subsection  
3 (1), whichever occurred earlier.

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

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

18 Sec. 47. (1) Except as otherwise provided in this subsection  
19 and subject to subsections (3) and (4), a billboard, placard,  
20 poster, pamphlet, or other printed matter having reference to an  
21 election, a candidate, or a ballot question, shall bear upon it **AN**  
22 **IDENTIFICATION THAT CONTAINS** the name and address of the person  
23 paying for the matter. Except as otherwise provided in this  
24 subsection **AND SUBSECTION (5)** and subject to subsections (3) and  
25 (4), if the printed matter relating to a candidate is an  
26 independent expenditure that is not authorized in writing by the  
27 candidate committee of that candidate, **IN ADDITION TO THE**



1 **IDENTIFICATION REQUIRED UNDER THIS SUBSECTION**, the printed matter  
 2 shall contain the following disclaimer: "Not authorized by any  
 3 candidate committee". An individual other than a candidate is not  
 4 subject to this subsection if the individual is acting  
 5 independently and not acting as an agent for a candidate or any  
 6 committee. This subsection does not apply to communications between  
 7 a separate segregated fund established under section 55 and  
 8 individuals who can be solicited for contributions to that separate  
 9 segregated fund under section 55.

10 (2) A radio or television paid advertisement having reference  
 11 to an election, a candidate, or a ballot question shall identify  
 12 the sponsoring person as required by the federal communications  
 13 commission, shall bear **AN IDENTIFICATION THAT CONTAINS** the name of  
 14 the person paying for the advertisement, and shall be in compliance  
 15 with subsection (3) and, **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION**  
 16 **(5)**, with the following:

17 (a) If the radio or television paid advertisement relates to a  
 18 candidate and is an independent expenditure, the advertisement  
 19 shall contain the following disclaimer: "Not authorized by any  
 20 candidate".

21 (b) If the radio or television paid advertisement relates to a  
 22 candidate and is not an independent expenditure but is paid for by  
 23 a person other than the candidate to which it is related, the  
 24 advertisement shall contain the following disclaimer:

25 "Authorized  
 26 by.....".  
 (name of candidate or name of candidate committee)

1           (3) The size and placement of an identification or disclaimer  
2 required by this section shall be determined by rules promulgated  
3 by the secretary of state. The rules may exempt printed matter and  
4 certain other items such as campaign buttons or balloons, the size  
5 of which makes it unreasonable to add an identification or  
6 disclaimer, from the identification or disclaimer required by this  
7 section.

8           (4) Except for a communication described in subsection (5) and  
9 except for a candidate committee's printed matter or radio or  
10 television paid advertisements, each identification ~~or disclaimer~~  
11 required by this section shall also indicate that the printed  
12 matter or radio or television paid advertisement is paid for "with  
13 regulated funds". Printed matter or a radio or television paid  
14 advertisement that is not subject to this act shall not bear the  
15 statement required by this subsection.

16           (5) A communication otherwise entirely exempted from this act  
17 under section 6(2)(j) is subject ~~only~~ to **BOTH OF THE FOLLOWING:**

18           **(A) MUST CONTAIN** the identification required by subsection  
19 (1), (2), or ~~(8)~~ (7) if that communication references a clearly  
20 identified candidate or ballot question within 60 days before a  
21 general election or 30 days before a primary election in which the  
22 candidate or ballot question appears on a ballot and is targeted to  
23 the relevant electorate where the candidate or ballot question  
24 appears on the ballot by means of radio, television, mass mailing,  
25 or prerecorded telephone message.

26           **(B) IS NOT REQUIRED TO CONTAIN THE DISCLAIMER REQUIRED BY**  
27 **SUBSECTION (1) OR (2).**

1 (6) A person who knowingly violates this section is guilty of  
2 a misdemeanor punishable by a fine of not more than \$1,000.00, or  
3 imprisonment for not more than 93 days, or both.

4 ~~(7) As used in this section, "mass mailing" means a mailing by~~  
5 ~~United States mail or facsimile of more than 500 pieces of mail~~  
6 ~~matter of an identical or substantially similar nature within any~~  
7 ~~30-day period.~~

8 (7) ~~(8)~~ A prerecorded telephone message that in express terms  
9 advocates the election or defeat of a clearly identified candidate,  
10 or the qualification, passage, or defeat of a ballot question,  
11 shall ~~contain~~ **BEAR AN IDENTIFICATION THAT CONTAINS** the name and  
12 telephone number, address, or other contact information of the  
13 person paying for the prerecorded telephone message, and shall be  
14 in compliance with subsection (4). **A PRERECORDED TELEPHONE MESSAGE**  
15 **SUBJECT TO THIS SUBSECTION IS NOT REQUIRED TO CONTAIN A DISCLAIMER**  
16 **UNDER THIS SECTION.**

17 (8) **AS USED IN THIS SECTION, "MASS MAILING" MEANS A MAILING BY**  
18 **UNITED STATES MAIL OR FACSIMILE OF MORE THAN 500 PIECES OF MAIL**  
19 **MATTER OF AN IDENTICAL OR SUBSTANTIALLY SIMILAR NATURE WITHIN ANY**  
20 **30-DAY PERIOD.**

21 Sec. 51. (1) A person, other than a committee, who makes an  
22 independent expenditure, advocating the election **OR DEFEAT** of a  
23 candidate ~~or the defeat of a candidate's opponents~~ or the  
24 qualification, passage, or defeat of a ballot question, in an  
25 amount of \$100.01 or more in a calendar year shall file a report of  
26 the independent expenditure, within 10 days, with the clerk of the  
27 county ~~of residence of that person.~~ **WHERE THE ELECTION OCCURS, IF**

1 THE CANDIDATE OR CANDIDATE'S OPPONENTS ARE SEEKING ELECTION TO  
2 LOCAL ELECTIVE OFFICE, OR THE BALLOT QUESTION ONLY APPLIES TO A  
3 LOCAL UNIT OF GOVERNMENT.

4 (2) A PERSON, OTHER THAN A COMMITTEE, THAT MAKES AN  
5 INDEPENDENT EXPENDITURE, ADVOCATING THE ELECTION OR DEFEAT OF A  
6 CANDIDATE OR THE QUALIFICATION, PASSAGE, OR DEFEAT OF A BALLOT  
7 QUESTION, IN AN AMOUNT OF \$100.01 OR MORE IN A CALENDAR YEAR SHALL  
8 FILE A REPORT OF THE INDEPENDENT EXPENDITURE, WITHIN 10 DAYS, WITH  
9 THE SECRETARY OF STATE, IF THE CANDIDATE OR CANDIDATE'S OPPONENTS  
10 ARE SEEKING ELECTION TO STATE ELECTIVE OFFICE, OR THE BALLOT  
11 QUESTION APPLIES STATEWIDE.

12 (3) The report **REQUIRED UNDER THIS SECTION** shall be made on an  
13 independent expenditure report form provided by the secretary of  
14 state and shall include the date of the expenditure, a brief  
15 description of the nature of the expenditure, the amount, the name  
16 and address of the person to whom it was paid, the name and address  
17 of the person filing the report, together with the name, address,  
18 occupation, employer, and principal place of business of each  
19 person who contributed \$100.01 or more to the expenditure. The  
20 filing official receiving the report shall forward copies, as  
21 required, to the appropriate filing officers as described in  
22 section 36.

23 (4) IF A PERSON FAILS TO FILE A REPORT REQUIRED UNDER THIS  
24 SECTION, THAT PERSON SHALL PAY A LATE FILING FEE AS FOLLOWS:

25 (A) IF THE PERSON HAS MADE AN INDEPENDENT EXPENDITURE OF LESS  
26 THAN \$10,000.00, THE LATE FILING FEE SHALL BE \$25.00 FOR EACH  
27 BUSINESS DAY THE REPORT REMAINS UNFILED, BUT NOT TO EXCEED

1 \$1,000.00.

2 (B) IF THE PERSON HAS MADE AN INDEPENDENT EXPENDITURE OF  
3 \$10,000.00 OR MORE, THE LATE FILING FEE SHALL BE \$50.00 FOR EACH  
4 BUSINESS DAY THE REPORT REMAINS UNFILED, BUT NOT TO EXCEED  
5 \$5,000.00.

6 Sec. 54. (1) Except with respect to the exceptions and  
7 conditions in subsections (2), ~~and~~(3), **AND (4)** and section 55, and  
8 to loans made in the ordinary course of business, a corporation,  
9 joint stock company, domestic dependent sovereign, or labor  
10 organization shall not make a contribution or expenditure or  
11 provide volunteer personal services that are excluded from the  
12 definition of a contribution ~~pursuant to~~**UNDER** section 4(3)(a).

13 (2) An officer, director, stockholder, attorney, agent, or any  
14 other person acting for a labor organization, a domestic dependent  
15 sovereign, or a corporation or joint stock company, whether  
16 incorporated under the laws of this or any other state or foreign  
17 country, except corporations formed for political purposes, shall  
18 not make a contribution or expenditure or provide volunteer  
19 personal services that are excluded from the definition of a  
20 contribution ~~pursuant to~~**UNDER** section 4(3)(a).

21 (3) A corporation, joint stock company, domestic dependent  
22 sovereign, or labor organization may make a contribution to a  
23 ballot question committee subject to this act. A corporation, joint  
24 stock company, domestic dependent sovereign, or labor organization  
25 may make an independent expenditure in any amount for the  
26 qualification, passage, or defeat of a ballot question. A  
27 corporation, joint stock company, domestic dependent sovereign, or

1 labor organization that makes an independent expenditure under this  
2 subsection is considered a ballot question committee for the  
3 purposes of this act.

4 (4) A CORPORATION, JOINT STOCK COMPANY, DOMESTIC DEPENDENT  
5 SOVEREIGN, OR LABOR ORGANIZATION MAY DO ANY OF THE FOLLOWING:

6 (A) MAKE AN INDEPENDENT EXPENDITURE.

7 (B) MAKE A CONTRIBUTION TO AN INDEPENDENT EXPENDITURE  
8 COMMITTEE.

9 (C) MAKE AN EXPENDITURE FOR THE ESTABLISHMENT OR  
10 ADMINISTRATION OF, OR SOLICITATION OF CONTRIBUTIONS TO, AN  
11 INDEPENDENT EXPENDITURE COMMITTEE IN ANY AMOUNT.

12 (5) A CORPORATION, JOINT STOCK COMPANY, DOMESTIC DEPENDENT  
13 SOVEREIGN, OR LABOR ORGANIZATION THAT ITSELF MAKES AN INDEPENDENT  
14 EXPENDITURE UNDER SUBSECTION (4) DOES NOT FOR THIS REASON BECOME A  
15 COMMITTEE BUT SHALL FILE A REPORT OF ANY INDEPENDENT EXPENDITURE IN  
16 ACCORDANCE WITH SECTION 51. A CORPORATION, JOINT STOCK COMPANY,  
17 DOMESTIC DEPENDENT SOVEREIGN, OR LABOR ORGANIZATION THAT MAKES A  
18 CONTRIBUTION TO AN INDEPENDENT EXPENDITURE COMMITTEE, OR AN  
19 EXPENDITURE FOR THE ESTABLISHMENT OR ADMINISTRATION OF, OR  
20 SOLICITATION OF FUNDS TO, AN INDEPENDENT EXPENDITURE COMMITTEE, HAS  
21 NO REPORTING OBLIGATIONS UNDER THIS ACT.

22 (6) ~~(4)~~—A person who knowingly violates this section is guilty  
23 of a felony punishable, if the person is an individual, by a fine  
24 of not more than \$5,000.00 or imprisonment for not more than 3  
25 years, or both, or, if the person is not an individual, by a fine  
26 of not more than \$10,000.00.

27 Sec. 55. (1) A corporation organized on a for profit or

1 nonprofit basis, a joint stock company, a domestic dependent  
2 sovereign, or a labor organization formed under the laws of this or  
3 another state or foreign country may make an expenditure for the  
4 establishment and administration **OF**, and solicitation of  
5 contributions to, a separate segregated fund to be used for  
6 political purposes. A separate segregated fund established under  
7 this section shall be limited to making contributions to, and  
8 expenditures on behalf of, candidate committees, ballot question  
9 committees, political party committees, political committees,  
10 **INDEPENDENT EXPENDITURE COMMITTEES**, independent committees, and  
11 other separate segregated funds.

12 (2) Contributions for a separate segregated fund established  
13 by a corporation, organized on a for profit basis, or a joint stock  
14 company under this section may be solicited from any of the  
15 following persons or their spouses:

16 (a) Stockholders of the corporation or company.

17 (b) Officers and directors of the corporation or company.

18 (c) Employees of the corporation or company who have policy  
19 making, managerial, professional, supervisory, or administrative  
20 nonclerical responsibilities.

21 (3) Contributions for a separate segregated fund established  
22 under this section by a corporation organized on a nonprofit basis  
23 may be solicited from any of the following persons or their  
24 spouses:

25 (a) Members of the corporation who are individuals.

26 (b) Stockholders or members of members of the corporation.

27 (c) Officers or directors of members of the corporation.

1 (d) Employees of the members of the corporation who have  
2 policy making, managerial, professional, supervisory, or  
3 administrative nonclerical responsibilities.

4 (e) Employees of the corporation who have policy making,  
5 managerial, professional, supervisory, or administrative  
6 nonclerical responsibilities.

7 (4) Contributions for a separate segregated fund established  
8 under this section by a labor organization may be solicited from  
9 any of the following persons or their spouses:

10 (a) Members of the labor organization who are individuals.

11 (b) Officers or directors of the labor organization.

12 (c) Employees of the labor organization who have policy  
13 making, managerial, professional, supervisory, or administrative  
14 nonclerical responsibilities.

15 (5) Contributions for a separate segregated fund established  
16 under this section by a domestic dependent sovereign may be  
17 solicited from an individual who is a member of any domestic  
18 dependent sovereign.

19 (6) Contributions shall not be obtained for a separate  
20 segregated fund established under this section by use of coercion  
21 or physical force, by making a contribution a condition of  
22 employment or membership, or by using or threatening to use job  
23 discrimination or financial reprisals. A corporation organized on a  
24 for profit or nonprofit basis, a joint stock company, a domestic  
25 dependent sovereign, or a labor organization shall not solicit or  
26 obtain contributions for a separate segregated fund established  
27 under this section from an individual described in subsection (2),



1 (3), (4), or (5) on an automatic or passive basis including but not  
2 limited to a payroll deduction plan or reverse checkoff method. A  
3 corporation organized on a for profit or nonprofit basis, a joint  
4 stock company, a domestic dependent sovereign, or a labor  
5 organization may solicit or obtain contributions for a separate  
6 segregated fund established under this section from an individual  
7 described in subsection (2), (3), (4), or (5) on an automatic  
8 basis, including but not limited to a payroll deduction plan, only  
9 if the individual who is contributing to the fund affirmatively  
10 consents to the contribution at least once in every calendar year.

11 (7) A person who knowingly violates this section is guilty of  
12 a felony punishable, if the person is an individual, by a fine of  
13 not more than \$5,000.00 or imprisonment for not more than 3 years,  
14 or both, or, if the person is not an individual, by a fine of not  
15 more than \$10,000.00.

16 (8) If a corporation, joint stock company, domestic dependent  
17 sovereign, or labor organization that obtains contributions for a  
18 separate segregated fund from individuals described in subsection  
19 (2), (3), (4), or (5) pays to 1 or more of those individuals a  
20 bonus or other remuneration for the purpose of reimbursing those  
21 contributions, then that corporation, joint stock company, domestic  
22 dependent sovereign, or labor organization is subject to a civil  
23 fine equal to 2 times the total contributions obtained from all  
24 individuals for the separate segregated fund during that calendar  
25 year.