

## RECALL CANDIDATES AND RECALL COMMITTEES

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**Senate Bill 788 (S-4) as passed by the Senate**  
**Sponsor: Sen. Jim Runestad**  
**House Committee: Elections and Ethics**  
**Senate Committee: Elections**  
**Complete to 5-10-22**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

Senate Bill 788 would amend the Michigan Campaign Finance Act to require officeholders subject to a recall election to organize a committee for the recall for campaign finance purposes. Among other provisions described in detail below, the recall committee would have to report contributions, have a treasurer approve expenditures, and return unexpended contributions to donors before the committee is terminated. A committee could not accept contributions or make expenditures in the absence of a valid or potentially valid recall petition. The bill also would impose the same limits on contributions to a recall committee as apply to contributions to a candidate committee.

#### **Recall committees**

The bill would require a *recall candidate* to form a *recall committee* within 10 days after becoming a recall candidate. A recall candidate could not form more than one recall committee, no matter how many recall petitions were submitted to the Board of State Canvassers or the board of county election commissioners.

*Recall candidate* would mean an officeholder for whom a recall petition has been submitted to the Board of State Canvassers or board of county election commissioners under the Michigan Election Law.

*Recall committee* would mean the committee designated in a recall candidate's filed statement of organization as that individual's recall committee.

Except as provided by law, a recall committee would have to have one account in a financial institution in Michigan as an official depository (and designated as such) for all contributions and expenditures. The account would not have to be established until the recall committee receives a contribution or makes an expenditure.

A recall committee would have to have a treasurer who is a qualified elector in Michigan. (Recall candidates could appoint themselves.) A recall committee could not accept a contribution or make an expenditure if it does not have a treasurer. In the event of a vacancy, the candidate would be the treasurer until a new treasurer is appointed. A recall committee could not make an expenditure without the authorization of the treasurer or the treasurer's designee.

Except for an expenditure for administrative services for the recall committee or to challenge a recall petition under the Michigan Election Law, a recall committee could not make an expenditure or any disbursement or donation to a person until the filing official the recall

petition is filed with makes an official declaration of the sufficiency or insufficiency of the recall petition under the Michigan Election Law.

If a recall petition is determined not to be valid for circulation under the Michigan Election Law, the recall committee could not, except as otherwise described below, accept a contribution or make an expenditure after the date of that determination. If another recall petition is not filed (or an existing one is not resubmitted) against the recall candidate before the filing deadline for doing so, the recall committee would have to terminate within 30 days after the date of that filing deadline. If another recall petition is filed (or an existing one is resubmitted) against the recall candidate before the filing deadline, the recall committee could accept contributions and make expenditures as described below.

If the appropriate filing official makes an official declaration of the insufficiency of the recall petition under the Michigan Election Law, the recall committee could not, except as otherwise described below, accept a contribution or make an expenditure after the date of that declaration. If another recall petition is not filed (or an existing one is not resubmitted) against the recall candidate before the filing deadline for doing so, the recall committee would have to terminate within 30 days after the date of that filing deadline. If another recall petition is filed (or an existing one is resubmitted) against the recall candidate before the filing deadline, the recall committee could accept contributions and make expenditures as described below.

Contributions received by an individual acting on behalf of a recall committee would have to be reported to the committee's treasurer no later than five days before the closing date of any campaign statement required to be filed by the recall committee. A contribution received less than five days before the closing date would have to be reported to the recall committee treasurer immediately.

A contribution would considered received by a recall committee when it is received by the treasurer or the treasurer's designated agent regardless of whether deposited in the official depository by the reporting deadline. Contributions received or expenditures made by a recall candidate or an agent of a recall candidate would be considered received or made by the recall committee. Contributions received by a recall committee could not be commingled with other funds of an agent of the recall committee or of any other person.

If a recall election were held, the recall committee would have to be terminated within 30 days after the later of the following:

- The results of the recall election have been certified.
- Any recount regarding the recall election has been completed or any appeals regarding the recall election have been exhausted.

Before termination of the recall committee, all unexpended funds in the recall committee would have to be returned in the order the contributions were received to donors or, if appropriate, their next of kin.

A person that violated the above provisions would be subject to a civil fine of up to \$1,000.

### **Contribution limits**

The bill would add recall committees to the contribution limit provisions that apply to candidate committees. Except for a member of the candidate's immediate family or certain bundled contributions as described in the act, a person other than an independent committee or political party committee could not make contributions to a recall committee that are more than the following in an election cycle:

- \$7,150 if the candidate is in a state elective office other than state legislator or in a local elective office representing a district with a population of more than 250,000.
- \$2,100 if the candidate is a state senator or is in a local elective office representing a district with a population of more than 85,000 but not more than 250,000.
- \$1,050 if the candidate is a state representative or is in a local elective office representing a district with a population of 85,000 or less.

(The bill would update the dollar amounts that currently appear in the statute to reflect adjustments that are made to those amounts every four years under the Michigan Election Law. That is, the amounts shown as current law are outdated and do not now apply.)

An independent committee or a political party committee (other than a state central committee) could not make contributions to a recall committee that total in an election cycle more than 10 times the amounts described above.

A state central committee could not make contributions to a recall committee of a state senator, state representative, or individual in a local elective office that total in an election cycle more than 10 times the amounts described above for those candidates.

A state central committee could not make contributions to a recall committee of a candidate in a state elective officer other than a state legislator that total in an election cycle more than 20 times the amounts described above for those candidates.

MCL 169.203 et seq. and proposed MCL 169.221b

### **FISCAL IMPACT:**

Senate Bill 788 would have an indeterminate fiscal impact on the state and on local units of government. The impact would depend on the number of individuals ordered to pay a civil fine. Fine revenue collected would increase funding for public and county law libraries, and a small portion of the revenue would be deposited into the state Justice System Fund, which supports various justice-related endeavors in the judicial and legislative branches and the Departments of State Police, Corrections, Health and Human Services, and Treasury. The impact on local courts would depend on how provisions of the bill affected court caseloads and the related administrative costs. It is difficult to project the actual fiscal impact to courts due to variables such as law enforcement practices, prosecutorial practices, judicial discretion, case types, and complexity of cases.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.