

SENATE BILL No. 661

October 31, 2013, Introduced by Senator MEEKHOF and referred to the Committee on Local Government and Elections.

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending sections 33, 46, 52, 52a, and 69 (MCL 169.233, 169.246, 169.252, 169.252a, and 169.269), section 33 as amended by 2012 PA 273, sections 52 and 69 as amended by 2001 PA 250, and section 52a as added by 1995 PA 264.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

7 (a) A preelection campaign statement shall be filed not later

1 than the eleventh day before an election. The closing date for a
2 campaign statement filed under this subdivision shall be the
3 sixteenth day before the election.

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

14 (C) IN A YEAR IN WHICH THERE IS NO ELECTION FOR THE CANDIDATE
15 THE COMMITTEE IS SUPPORTING OR OPPOSING:

16 (i) NOT LATER THAN JULY 25 WITH A CLOSING DATE OF JULY 20 OF
17 THAT YEAR.

18 (ii) NOT LATER THAN OCTOBER 25 WITH A CLOSING DATE OF OCTOBER
19 20 OF THAT YEAR.

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

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

27 (b) A committee other than a candidate committee shall file a

1 campaign statement for each period during which expenditures are
2 made for the purpose of influencing the nomination or election of a
3 candidate or for the qualification, passage, or defeat of a ballot
4 question.

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

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

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

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

16 (d) Not later than October 25 of each year with a closing date
17 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 or a political committee
21 required to file a campaign statement with the secretary of state,
22 a report of the expenditure shall be filed by the committee with
23 the secretary of state within 48 hours after the expenditure. The
24 report shall be made on a form provided by the secretary of state
25 and shall include the date of the independent expenditure, the
26 amount of the expenditure, a brief description of the nature of the
27 expenditure, and the name and address of the person to whom the

1 expenditure was paid. The brief description of the expenditure
2 shall include either the name of the candidate and the office
3 sought by the candidate or the name of the ballot question and
4 shall state whether the expenditure supports or opposes the
5 candidate or ballot question. This subsection does not apply if the
6 committee is required to report the independent expenditure in a
7 campaign statement that is required to be filed before the date of
8 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. 46. (1) At the beginning of every odd numbered year, the
9 secretary of state shall recommend adjustments to and which shall
10 be approved by the legislature of the ~~dollar value contribution~~
11 ~~limits provided in this act, together with the dollar value floor~~
12 for reporting of the name, address, occupation, and employer, or
13 principal place of business of persons who make contributions
14 pursuant to this ~~chapter~~ ACT, on the basis of the ~~United States~~
15 ~~department of commerce's~~ consumer price index and the number of
16 registered voters in the state.

17 (2) BEGINNING JANUARY 1, 2019 AND EVERY 4 YEARS THERAFTER, THE
18 SECRETARY OF STATE SHALL ADJUST THE DOLLAR VALUE CONTRIBUTION
19 LIMITS PROVIDED IN SECTIONS 52, 52A, AND 69(1). THE SECRETARY OF
20 STATE SHALL ADJUST THE LIMITS IN SECTIONS 52, 52A, AND 69(1) BY
21 COMPARING THE PERCENTAGE INCREASE OR DECREASE IN THE CONSUMER PRICE
22 INDEX FOR THE PRECEDING AUGUST BY THE CORRESPONDING CONSUMER PRICE
23 INDEX 4 YEARS EARLIER. THE SECRETARY OF STATE SHALL MULTIPLY THAT
24 PERCENTAGE CHANGE BY THE AMOUNTS IN SECTIONS 52, 52A, AND 69(1).
25 THE SECRETARY OF STATE SHALL ROUND UP EACH DOLLAR VALUE ADJUSTMENT
26 MADE UNDER THIS SUBSECTION TO THE NEAREST \$25.00. THE SECRETARY OF
27 STATE SHALL ANNOUNCE THE ADJUSTMENTS MADE UNDER THIS SUBSECTION BY

1 DECEMBER 15 OF EACH YEAR.

2 (3) AS USED IN THIS SECTION, "CONSUMER PRICE INDEX" MEANS THE
3 MOST COMPREHENSIVE INDEX OF CONSUMER PRICES AVAILABLE FOR THE
4 DETROIT AREA FROM THE BUREAU OF LABOR STATISTICS OF THE UNITED
5 STATES DEPARTMENT OF LABOR.

6 Sec. 52. (1) Except as provided in subsection (5) or (11) and
7 subject to SECTION 46 AND subsection (8), a person other than an
8 independent committee or a political party committee shall not make
9 contributions to a candidate committee of a candidate for elective
10 office that, with respect to an election cycle, are more than the
11 following:

12 (a) ~~\$3,400.00~~-\$6,800.00 for a candidate for state elective
13 office other than the office of state legislator, or for a
14 candidate for local elective office if the district from which he
15 or she is seeking office has a population of more than 250,000.

16 (b) ~~\$1,000.00~~-\$2,000.00 for a candidate for state senator, or
17 for a candidate for local elective office if the district from
18 which he or she is seeking office has a population of more than
19 85,000 but 250,000 or less.

20 (c) ~~\$500.00~~-\$1,000.00 for a candidate for state
21 representative, or for a candidate for local elective office if the
22 district from which he or she is seeking office has a population of
23 85,000 or less.

24 (2) Except as otherwise provided in this subsection and
25 subsection (12), an independent committee shall not make
26 contributions to a candidate committee of a candidate for elective
27 office that, in the aggregate for that election cycle, are more

1 than 10 times the amount permitted a person other than an
2 independent committee or political party committee in subsection
3 (1). A house political party caucus committee or a senate political
4 party caucus committee is not limited under this subsection in the
5 amount of contributions made to the candidate committee of a
6 candidate for the office of state legislator, except as follows:

7 (a) A house political party caucus committee or a senate
8 political party caucus committee shall not pay a debt incurred by a
9 candidate if that debt was incurred while the candidate was seeking
10 nomination at a primary election and the candidate was opposed at
11 that primary.

12 (b) A house political party caucus committee or a senate
13 political party caucus committee shall not make a contribution to
14 or make an expenditure on behalf of a candidate if that candidate
15 is seeking nomination at a primary election and the candidate is
16 opposed at that primary.

17 (3) A political party committee other than a state central
18 committee shall not make contributions to the candidate committee
19 of a candidate for elective office that are more than 10 times the
20 amount permitted a person other than an independent committee or
21 political party committee in subsection (1).

22 (4) A state central committee of a political party shall not
23 make contributions to the candidate committee of a candidate for
24 state elective office other than a candidate for the legislature
25 that are more than 20 times the amount permitted a person other
26 than an independent committee or political party committee in
27 subsection (1). A state central committee of a political party

1 shall not make contributions to the candidate committee of a
2 candidate for state senator, state representative, or local
3 elective office that are more than 10 times the amount permitted a
4 person other than an independent committee or political party
5 committee in subsection (1).

6 (5) A contribution from a member of a candidate's immediate
7 family to the candidate committee of that candidate is exempt from
8 the limitations of subsection (1).

9 (6) Consistent with the provisions of this section, a
10 contribution designated in writing for a particular election cycle
11 is considered made for that election cycle. A contribution made
12 after the close of a particular election cycle and designated in
13 writing for that election cycle shall be made only to the extent
14 that the contribution does not exceed the candidate committee's net
15 outstanding debts and obligations from the election cycle so
16 designated. If a contribution is not designated in writing for a
17 particular election cycle, the contribution is considered made for
18 the election cycle that corresponds to the date of the written
19 instrument.

20 (7) A candidate committee, a candidate, or a treasurer or
21 agent of a candidate committee shall not accept a contribution with
22 respect to an election cycle that exceeds the limitations in
23 subsection (1), (2), (3), (4), (11), or (12).

24 (8) The contribution limits in subsection (1) for a candidate
25 for local elective office are effective on the effective date of
26 the amendatory act that provides for those contribution limits,
27 however, only contributions received by that candidate on and after

1 that date shall be used to determine if the contribution limit has
2 been reached.

3 (9) A person who knowingly violates this section is guilty of
4 a misdemeanor punishable, if the person is an individual, by a fine
5 of not more than \$1,000.00 or imprisonment for not more than 90
6 days, or both, or, if the person is not an individual, by a fine of
7 not more than \$10,000.00.

8 (10) For purposes of the limitations provided in subsections
9 (1) and (2), all contributions made by political committees or
10 independent committees established by any corporation, joint stock
11 company, domestic dependent sovereign, or labor organization,
12 including any parent, subsidiary, branch, division, department, or
13 local unit thereof, shall be considered to have been made by a
14 single independent committee. By way of illustration and not
15 limitation, all of the following apply as a result of the
16 application of this requirement:

17 (a) All of the political committees and independent committees
18 established by a for profit corporation or joint stock company, by
19 a subsidiary of the for profit corporation or joint stock company,
20 or by any combination thereof, are treated as a single independent
21 committee.

22 (b) All of the political committees and independent committees
23 established by a single national or international labor
24 organization, by a labor organization of that national or
25 international labor organization, by a local labor organization of
26 that national or international labor organization, or by any other
27 subordinate organization of that national or international labor

1 organization, or by any combination thereof, are treated as a
2 single independent committee.

3 (c) All of the political committees and independent committees
4 established by an organization of national or international unions,
5 by a state central body of that organization, by a local central
6 body of that organization, or by any combination thereof, are
7 treated as a single independent committee.

8 (d) All of the political committees and independent committees
9 established by a nonprofit corporation, by a related state entity
10 of that nonprofit corporation, by a related local entity of that
11 nonprofit corporation, or by any combination thereof, are treated
12 as a single independent committee.

13 (11) The limitation on a political committee's contributions
14 under subsection (1) does not apply to contributions that are part
15 of 1 or more bundled contributions delivered to the candidate
16 committee of a candidate for statewide elective office and that are
17 attributed to the political committee as prescribed in section 31.
18 A political committee shall not make contributions to a candidate
19 committee of a candidate for statewide elective office that are
20 part of 1 or more bundled contributions delivered to that candidate
21 committee, that are attributed to the political committee as
22 prescribed in section 31, and that, in the aggregate for that
23 election cycle, are more than the amount permitted a person other
24 than an independent committee or political party committee in
25 subsection (1).

26 (12) The limitation on an independent committee's
27 contributions under subsection (2) does not apply to contributions

1 that are part of 1 or more bundled contributions delivered to the
2 candidate committee of a candidate for statewide elective office
3 and that are attributed to the independent committee as prescribed
4 in section 31. An independent committee shall not make
5 contributions to a candidate committee of a candidate for statewide
6 elective office that are part of 1 or more bundled contributions
7 delivered to that candidate committee, that are attributed to the
8 independent committee as prescribed in section 31, and that, in the
9 aggregate for that election cycle, are more than 10 times the
10 amount permitted a person other than an independent committee or
11 political party committee in subsection (1).

12 Sec. 52a. (1) ~~A~~**SUBJECT TO SECTION 46, A** person shall not make
13 contributions to a house political party caucus committee or a
14 senate political party caucus committee that exceed ~~\$20,000.00~~
15 **\$40,000.00** in a calendar year. A house political party caucus
16 committee or a senate political party caucus committee or a
17 treasurer or agent of the committee shall not accept a contribution
18 with respect to a 2-year election cycle that exceeds the limitation
19 in this section.

20 (2) A person who knowingly violates this section is guilty of
21 a misdemeanor punishable, if the person is an individual, by a fine
22 of not more than \$1,000.00 or imprisonment for not more than 90
23 days, or both, or, if the person is not an individual, by a fine of
24 not more than \$10,000.00.

25 Sec. 69. (1) Except as provided in subsection (6) or (10) **AND**
26 **SUBJECT TO SECTION 46**, a person other than an independent committee
27 or a political party committee shall not make contributions to a

1 candidate committee of a candidate that are more than ~~\$3,400.00~~
2 **\$6,800.00** in value for an election cycle.

3 (2) Except as provided in subsection (11), an independent
4 committee shall not make contributions to a candidate committee
5 that for an election cycle are more than ~~10-5~~ times the amount
6 permitted a person other than an independent committee or political
7 party committee in subsection (1).

8 (3) A political party committee that is a state central
9 committee shall not make contributions to a candidate committee
10 that for an election cycle are more than \$750,000.00.

11 (4) A political party committee that is a congressional
12 district or county committee shall not make contributions to a
13 candidate committee that for an election cycle are more than
14 \$30,000.00.

15 (5) A candidate committee, a candidate, or a treasurer or
16 agent shall not accept a contribution with respect to an election
17 cycle that exceeds a limitation in subsections (1) to (4), or (10).

18 (6) As used in this subsection, "immediate family" means a
19 spouse, parent, brother, sister, son, or daughter. A candidate and
20 members of that candidate's immediate family may not contribute in
21 total to that person's candidate committee an amount that is more
22 than \$50,000.00 in value for an election cycle.

23 (7) Sections 5(3) and 52(6) apply to determining when an
24 election cycle begins and ends and to which election cycle a
25 particular contribution is attributed.

26 (8) The candidate committee of a candidate for governor that
27 does not apply for funds from the state campaign fund and that

1 accepts from the candidate and the candidate's immediate family
2 contributions that total for an election cycle more than
3 \$340,000.00 shall notify the secretary of state in writing within
4 48 hours after receipt of this amount. Within 2 business days after
5 receipt of this notice, the secretary of state shall send notice to
6 all candidates who are either seeking the same nomination, in the
7 case of a primary election, or election to that same office, in the
8 case of a general election, informing those candidate committees of
9 all of the following:

10 (a) That the expenditure limits provided in section 67 are
11 waived for the remainder of that election for those notified
12 candidate committees that receive funds from the state campaign
13 fund under this act.

14 (b) That the expenditure limits of section 67 are not waived
15 for the purpose of determining the amount of public funds available
16 to a candidate under section 64 or 65.

17 (9) A person who knowingly violates this section is guilty of
18 a misdemeanor punishable, if the person is an individual, by a fine
19 of not more than \$1,000.00 or imprisonment for not more than 90
20 days, or both, or, if the person is not an individual, by a fine of
21 not more than \$10,000.00.

22 (10) The limitation on a political committee's contributions
23 under subsection (1) does not apply to contributions that are part
24 of 1 or more bundled contributions delivered to the candidate
25 committee of a candidate for statewide elective office and that are
26 attributed to the political committee as prescribed in section 31.
27 A political committee shall not make contributions to a candidate

1 committee of a candidate for statewide elective office that are
2 part of 1 or more bundled contributions delivered to that candidate
3 committee, that are attributed to the political committee as
4 prescribed in section 31, and that, in the aggregate for that
5 election cycle, are more than the amount permitted a person other
6 than an independent committee or political party committee in
7 subsection (1).

8 (11) The limitation on an independent committee's
9 contributions under subsection (2) does not apply to contributions
10 that are part of 1 or more bundled contributions delivered to the
11 candidate committee of a candidate for statewide elective office
12 and that are attributed to the independent committee as prescribed
13 in section 31. An independent committee shall not make
14 contributions to a candidate committee of a candidate for statewide
15 elective office that are part of 1 or more bundled contributions
16 delivered to that candidate committee, that are attributed to the
17 independent committee as prescribed in section 31, and that, in the
18 aggregate for that election cycle, are more than ~~10~~5 times the
19 amount permitted a person other than an independent committee or
20 political party committee in subsection (1).