

# HOUSE BILL No. 5632

May 4, 2016, Introduced by Reps. Howrylak, Pagan, Hoadley, Plawecki, Lane, Robinson, LaVoy, McBroom and Runestad and referred to the Committee on Elections.

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending sections 52 and 69 (MCL 169.252 and 169.269), section 52 as amended by 2015 PA 269 and section 69 as amended by 2013 PA 252.

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

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

1 (a) \$6,800.00 for a candidate for state elective office other  
2 than the office of state legislator, or for a candidate for local  
3 elective office if the district from which he or she is seeking  
4 office has a population of more than 250,000.

5 (b) \$2,000.00 for a candidate for state senator, or for a  
6 candidate for local elective office if the district from which he  
7 or she is seeking office has a population of more than 85,000 but  
8 250,000 or less.

9 (c) \$1,000.00 for a candidate for state representative, or for  
10 a candidate for local elective office if the district from which he  
11 or she is seeking office has a population of 85,000 or less.

12 (2) Except as otherwise provided in this subsection and  
13 subsection (12), an independent committee shall not make  
14 contributions to a candidate committee of a candidate for elective  
15 office that, in the aggregate for that election cycle, are more  
16 than ~~10~~5 times the amount permitted a person other than an  
17 independent committee or political party committee in subsection  
18 (1). A house political party caucus committee or a senate political  
19 party caucus committee is not limited under this subsection in the  
20 amount of contributions made to the candidate committee of a  
21 candidate for the office of state legislator, except as follows:

22 (a) A house political party caucus committee or a senate  
23 political party caucus committee shall not pay a debt incurred by a  
24 candidate if that debt was incurred while the candidate was seeking  
25 nomination at a primary election and the candidate was opposed at  
26 that primary.

27 (b) A house political party caucus committee or a senate

1 political party caucus committee shall not make a contribution to  
2 or make an expenditure on behalf of a candidate if that candidate  
3 is seeking nomination at a primary election and the candidate is  
4 opposed at that primary.

5 (3) A political party committee other than a state central  
6 committee shall not make contributions to the candidate committee  
7 of a candidate for elective office that are more than 10 times the  
8 amount permitted a person other than an independent committee or  
9 political party committee in subsection (1).

10 (4) A state central committee of a political party shall not  
11 make contributions to the candidate committee of a candidate for  
12 state elective office other than a candidate for the legislature  
13 that are more than 20 times the amount permitted a person other  
14 than an independent committee or political party committee in  
15 subsection (1). A state central committee of a political party  
16 shall not make contributions to the candidate committee of a  
17 candidate for state senator, state representative, or local  
18 elective office that are more than 10 times the amount permitted a  
19 person other than an independent committee or political party  
20 committee in subsection (1).

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

24 (6) Consistent with the provisions of this section, a  
25 contribution designated in writing for a particular election cycle  
26 is considered made for that election cycle. A contribution made  
27 after the close of a particular election cycle and designated in

1 writing for that election cycle shall be made only to the extent  
2 that the contribution does not exceed the candidate committee's net  
3 outstanding debts and obligations from the election cycle so  
4 designated. If a contribution is not designated in writing for a  
5 particular election cycle, all of the following apply to that  
6 contribution:

7 (a) The contribution is considered made for the election cycle  
8 that corresponds to the date of the written instrument.

9 (b) The contribution limits for the current election cycle  
10 apply to that contribution.

11 (c) A candidate committee may use that contribution to pay  
12 outstanding debts and obligations from a previous election cycle  
13 regardless of whether the contribution, when aggregated with any  
14 contributions made in that previous election cycle, would exceed  
15 the contribution limits for that previous election cycle.

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

20 (8) The contribution limits in subsection (1) for a candidate  
21 for local elective office are effective on the effective date of  
22 the amendatory act that provides for those contribution limits,  
23 however, only contributions received by that candidate on and after  
24 that date shall be used to determine if the contribution limit has  
25 been reached.

26 (9) A person who knowingly violates this section is guilty of  
27 a misdemeanor punishable, if the person is an individual, by a fine

1 of not more than \$1,000.00 or imprisonment for not more than 90  
2 days, or both, or, if the person is not an individual, by a fine of  
3 not more than \$10,000.00.

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

13 (a) All of the political committees and independent committees  
14 established by a for profit corporation or joint stock company, by  
15 a subsidiary of the for profit corporation or joint stock company,  
16 or by any combination thereof, are treated as a single independent  
17 committee.

18 (b) All of the political committees and independent committees  
19 established by a single national or international labor  
20 organization, by a labor organization of that national or  
21 international labor organization, by a local labor organization of  
22 that national or international labor organization, or by any other  
23 subordinate organization of that national or international labor  
24 organization, or by any combination thereof, are treated as a  
25 single independent committee.

26 (c) All of the political committees and independent committees  
27 established by an organization of national or international unions,

1 by a state central body of that organization, by a local central  
2 body of that organization, or by any combination thereof, are  
3 treated as a single independent committee.

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

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

22 (12) The limitation on an independent committee's  
23 contributions under subsection (2) does not apply to contributions  
24 that are part of 1 or more bundled contributions delivered to the  
25 candidate committee of a candidate for statewide elective office  
26 and that are attributed to the independent committee as prescribed  
27 in section 31. An independent committee shall not make

1 contributions to a candidate committee of a candidate for statewide  
2 elective office that are part of 1 or more bundled contributions  
3 delivered to that candidate committee, that are attributed to the  
4 independent committee as prescribed in section 31, and that, in the  
5 aggregate for that election cycle, are more than ~~10~~5 times the  
6 amount permitted a person other than an independent committee or  
7 political party committee in subsection (1).

8       Sec. 69. (1) Except as provided in subsection (6) or (10) and  
9 subject to section 46, a person other than an independent committee  
10 or a political party committee shall not make contributions to a  
11 candidate committee of a candidate that are more than \$6,800.00 in  
12 value for an election cycle.

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

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

21       (4) A political party committee that is a congressional  
22 district or county committee shall not make contributions to a  
23 candidate committee that for an election cycle are more than  
24 \$30,000.00.

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

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

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

9           (8) The candidate committee of a candidate for governor that  
10 does not apply for funds from the state campaign fund and that  
11 accepts from the candidate and the candidate's immediate family  
12 contributions that total for an election cycle more than  
13 \$340,000.00 shall notify the secretary of state in writing within  
14 48 hours after receipt of this amount. Within 2 business days after  
15 receipt of this notice, the secretary of state shall send notice to  
16 all candidates who are either seeking the same nomination, in the  
17 case of a primary election, or election to that same office, in the  
18 case of a general election, informing those candidate committees of  
19 all of the following:

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

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

27           (9) A person who knowingly violates this section is guilty of



1 a misdemeanor punishable, if the person is an individual, by a fine  
2 of not more than \$1,000.00 or imprisonment for not more than 90  
3 days, or both, or, if the person is not an individual, by a fine of  
4 not more than \$10,000.00.

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

18 (11) The limitation on an independent committee's  
19 contributions under subsection (2) does not apply to contributions  
20 that are part of 1 or more bundled contributions delivered to the  
21 candidate committee of a candidate for statewide elective office  
22 and that are attributed to the independent committee as prescribed  
23 in section 31. An independent committee shall not make  
24 contributions to a candidate committee of a candidate for statewide  
25 elective office that are part of 1 or more bundled contributions  
26 delivered to that candidate committee, that are attributed to the  
27 independent committee as prescribed in section 31, and that, in the

1 aggregate for that election cycle, are more than ~~10~~5 times the  
2 amount permitted a person other than an independent committee or  
3 political party committee in subsection (1).