

MICHIGAN CAMPAIGN FINANCE ACT (EXCERPT)
Act 388 of 1976

169.221 Candidate committee or committee other than candidate committee; treasurer; service of process; official depository for contributions; secondary depositories; requirements for accepting contributions or making expenditures; vacancy in office of treasurer; authorizing expenditure; contributions or expenditures considered received or made by candidate committee; reporting contributions; commingling prohibited; violation; penalty.

Sec. 21.

(1) A candidate, within 10 days after becoming a candidate, shall form a candidate committee. An individual who is a candidate for more than 1 office shall form a candidate committee for each office for which the individual is a candidate, if at least 1 of the offices is a state elective office. A candidate shall not form more than 1 candidate committee for each office for which the individual is a candidate.

(2) A candidate committee must have a treasurer who is a qualified elector of this state. A candidate may appoint himself or herself as the candidate committee treasurer.

(3) A committee other than a candidate committee must have a treasurer who is a qualified elector of this state if the committee conducts business through an office or other facility located in this state.

(4) If a committee is not required to have as its treasurer an individual who is a qualified elector of this state, the committee may have as its treasurer an individual who is a resident of another state. A committee with a nonresident treasurer shall file, with its statement of organization, an irrevocable written stipulation, signed by the treasurer, agreeing that legal process affecting the committee, served on the secretary of state or an agent designated by the secretary of state, has the same effect as if personally served on the committee. This appointment remains in force as long as any liability of the committee remains outstanding within this state.

(5) If the secretary of state or designated agent of the secretary of state is served with legal process under subsection (4), the secretary of state shall promptly notify the committee's treasurer by certified mail at the last known address of the committee shown on the committee's statement of organization.

(6) Except as provided by law, a candidate committee or a committee described in subsection (3) shall have 1 account in a financial institution in this state as an official depository to deposit all contributions received by the committee in the form of or which are converted to money, checks, or other negotiable instruments and to make all expenditures. The committee shall designate that financial institution as its official depository. The establishment of an account in a financial institution is not required until the committee receives a contribution or makes an expenditure. Candidate committees shall only use secondary depositories to deposit contributions and promptly transfer the deposits to the committee's official depository, or to deposit the proceeds of a joint fund-raiser under section 44(4) and transfer each committee's share of any receipts from the joint fund-raiser. A committee described in subsection (3) shall only use secondary depositories for any of the following:

(a) To deposit contributions and promptly transfer the deposits to the committee's official depository.

(b) To deposit the proceeds of a joint fund-raiser under section 44(4) and transfer each committee's share of any receipts from the joint fund-raiser.

(c) To deposit, divide, and transfer contributions that are aggregated with dues or other payments.

(7) Except as provided by law, a committee described in subsection (4) shall have 1 account in a financial institution as its official depository to deposit all contributions received by the committee in the form of or which are converted to money, checks, or other negotiable instruments and to make all expenditures. The committee shall designate that financial institution as its official depository. The establishment of an account in a financial institution is not required until the committee receives a contribution or makes an expenditure. A committee described in subsection (4) shall only use secondary depositories for any of the following:

(a) To deposit contributions and promptly transfer the deposits to the committee's official depository.

(b) To deposit the proceeds of a joint fund-raiser under section 44(4) and transfer each committee's share of any receipts from the joint fund-raiser.

(c) To deposit, divide, and transfer contributions that are aggregated with dues or other payments.

(8) A committee shall not accept a contribution or make an expenditure if that committee does not have a treasurer. When the office of treasurer in a candidate committee is vacant, the candidate is the treasurer until the candidate appoints a new treasurer.

(9) A committee shall not make an expenditure without the authorization of the treasurer or the treasurer's designee. The contributions received or expenditures made by a candidate or an agent of a candidate are considered received or made by the candidate committee.

(10) Contributions received by an individual acting in behalf of a committee must be reported promptly to the committee's treasurer not later than 5 days before the closing date of any campaign statement required to be filed by the committee, and must be reported to the committee treasurer immediately if the contribution is received less than

5 days before the closing date.

(11) A contribution is considered received by a committee when it is received by the committee treasurer or a designated agent of the committee treasurer although the contribution may not be deposited in the official depository by the reporting deadline.

(12) Contributions received by a committee must not be commingled with other funds of an agent of the committee or of any other person. Contributions are not considered to be commingled if that contribution is either of the following:

(a) A contribution received by a person for transmission to a separate segregated fund as described in section 55(7).

(b) A contribution made by 1 or more persons through a person if all of the following are met:

(i) The individual contribution or aggregated contribution is accompanied by or logically associated with all information required under section 26 for each individual contributor.

(ii) The person making the contribution is the original source of the contribution.

(iii) The contribution is not obtained through use of coercion or physical force, as a condition of employment or membership, or by using or threatening to use job discrimination or financial reprisals.

(iv) Only the person making the contribution exercises any control over the making of, or the amount or recipient of, the contribution.

(v) The contribution is not otherwise prohibited by this act.

(13) A person that violates this section is subject to a civil fine of not more than \$1,000.00.

History: 1976, Act 388, Eff. June 1, 1977 ;-- Am. 1977, Act 312, Imd. Eff. Jan. 4, 1978 ;-- Am. 1989, Act 95, Imd. Eff. June 21, 1989 ;-- Am. 2015, Act 269, Imd. Eff. Jan. 6, 2016 ;-- Am. 2019, Act 93, Imd. Eff. Oct. 10, 2019