



HOUSE BILL No. 5788

September 14, 1994 Introduced by Reps Stille Dalman Voorhees Bobier DeLange and Jaye and referred to the Committee on House Oversight and Ethics

A bill to amend sections 8, 52, and 69 of Act No 388 of the Public Acts of 1976, entitled as amended

"Michigan campaign finance act,"

sections 8 and 52 as amended by Act No 117 of the Public Acts of 1994 and section 69 as amended by Act No 95 of the Public Acts of 1989, being sections 169 208, 169 252, and 169 269 of the Michigan Compiled Laws

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Sections 8 52, and 69 of Act No 388 of the
2 Public Acts of 1976, sections 8 and 52 as amended by Act No 117
3 of the Public Acts of 1994 and section 69 as amended by Act
4 No 95 of the Public Acts of 1989, being sections 169 208,
5 169 252, and 169 269 of the Michigan Compiled Laws, are amended
6 to read as follows

1 Sec 8 (1) Immediate family means ~~any~~ A child residing
 2 in a candidate s household, the candidate's spouse or any
 3 individual claimed by that candidate or that candidate's spouse
 4 as a dependent for federal income tax purposes

5 (2) 'Independent committee means a committee other than a
 6 political party committee, ~~which~~ THAT before contributing to a
 7 candidate committee of a candidate for state elective office
 8 under section ~~52(3)~~ 52(1) or ~~69(2)~~ 69(1) files a statement of
 9 organization as an independent committee at least 6 months before
 10 an election for which it expects to accept contributions or make
 11 expenditures in support of or in opposition to a candidate for
 12 nomination to or election to a state elective office and
 13 receives contributions from at least 25 persons and makes expen-
 14 ditures not to exceed the limitations of section 52(1) in support
 15 of or in opposition to 3 or more candidates for nomination for or
 16 election to a state elective office in the same calendar year

17 Sec 52 (1) Except as provided in subsection ~~(7)~~ (5) a
 18 person other than ~~an independent committee or~~ a political party
 19 committee shall not make contributions to a candidate committee
 20 of a candidate for state elective office that, with respect to an
 21 election cycle, are more than the following

22 (a) \$3,400 00 for a candidate for state elective office
 23 other than the office of state legislator

24 (b) \$1,000 00 for a candidate for state senator

25 (c) \$500 00 for a candidate for state representative

26 (2) For the purpose of subsection (1), "with respect to an
 27 election cycle' means 1 of the following

1 (a) For a general election, the period beginning the day
 2 following the last general election in which the office appeared
 3 on the ballot and ending on the day of the next general election
 4 in which the office next appears on the ballot

5 (b) For a special election, the period beginning the day a
 6 special general election is scheduled or the date the office
 7 becomes vacant, whichever is earlier, and ending on the day of
 8 the special general election

9 ~~(3) An independent committee shall not make contributions~~
 10 ~~to a candidate committee of a candidate for state elective office~~
 11 ~~that, in the aggregate for that election cycle, are more than 10~~
 12 ~~times the amount permitted a person other than an independent~~
 13 ~~committee or political party committee in subsection (1)~~

14 (3) ~~(4)~~ A political party committee other than a state
 15 central committee shall not make contributions to the candidate
 16 committee of a candidate for state elective office that are more
 17 than 10 times the amount permitted a person other than ~~an inde-~~
 18 ~~pendent committee or~~ A political party committee in subsection
 19 (1)

20 (4) ~~(5)~~ A state central committee of a political party
 21 shall not make contributions to the candidate committee of a can-
 22 didate for state elective office other than a candidate for the
 23 legislature that are more than 20 times the amount permitted a
 24 person other than ~~an independent committee or~~ A political party
 25 committee in subsection (1) A state central committee of a
 26 political party shall not make contributions to the candidate
 27 committee of a candidate for state senator or state

1 representative that are more than 10 times the amount permitted a
 2 person other than ~~an independent committee or~~ A political party
 3 committee in subsection (1)

4 (5) ~~(6)~~ A contribution from a member of a candidate's
 5 immediate family to the candidate committee of that candidate is
 6 exempt from the limitations of subsection (1)

7 (6) ~~(7)~~ Consistent with the provisions of this section, a
 8 contribution designated in writing for a particular election
 9 cycle shall be considered made for that election cycle A con-
 10 tribution made after the close of a particular election cycle and
 11 designated in writing for that election cycle shall be made only
 12 to the extent that the contribution does not exceed the candidate
 13 committee's net outstanding debts and obligations from the elec-
 14 tion cycle so designated If a contribution is not designated in
 15 writing for a particular election cycle the contribution shall
 16 be considered made for the election cycle that corresponds to the
 17 date of the written instrument

18 (7) ~~(8)~~ A candidate committee, a candidate, or a treasurer
 19 or agent of a candidate committee shall not accept a contribution
 20 with respect to an election cycle that exceeds the limitations in
 21 subsection (1) (3), OR (4) ~~, or (5)~~

22 ~~(9) For the purposes of this act, a contribution made or~~
 23 ~~received before June 21, 1989 is considered to be made with~~
 24 ~~respect to an election cycle~~

25 (8) ~~(10)~~ A person who knowingly violates this section is
 26 guilty of a misdemeanor punishable, if the person is an
 27 individual, by a fine of not more than \$1,000 00 or imprisonment

1 for not more than 90 days or both or if the person is not an
2 individual by a fine of not more than \$10,000 00

3 (9) ~~(11)~~ For purposes of the limitations provided in
4 ~~subsections~~ SUBSECTION (1) ~~and (3)~~, all contributions made
5 by political committees or independent committees established by
6 any corporation, joint stock company, or labor organization,
7 including any parent, subsidiary, branch, division, department,
8 or local unit thereof, shall be considered to have been made by a
9 single independent committee By way of illustration and not
10 limitation, all of the following apply as a result of the appli-
11 cation of this requirement

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

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

25 (c) All of the political committees and independent commit-
26 tees established by an organization of national or international
27 unions by a state central body of that organization by a local

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

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

8 Sec 69 (1) Except as provided in subsection ~~(6)~~ (5), a
9 person other than ~~an independent committee or~~ a political party
10 committee shall not make contributions to a candidate committee
11 of a candidate ~~which~~ THAT are more than \$3,400 00 in value for
12 an election cycle

13 ~~(2) An independent committee shall not make contributions~~
14 ~~to a candidate committee which, for that election cycle are more~~
15 ~~than 10 times the amount permitted a person other than an inde-~~
16 ~~pendent committee or political party committee in subsection~~
17 ~~(1)~~

18 (2) ~~(3)~~ A political party committee that is a state cen-
19 tral committee shall not make contributions to a candidate com-
20 mittee ~~which~~ THAT for an election cycle are more than
21 \$750,000 00

22 (3) ~~(4)~~ A political party committee that is a congressio-
23 nal district or county committee shall not make contributions to
24 a candidate committee ~~which~~ THAT for an election cycle are more
25 than \$30,000 00

26 (4) ~~(5)~~ A candidate committee a candidate or a treasurer
27 or agent shall not accept a contribution with respect to an

1 election cycle that exceeds a limitation in subsections (1) to
2 ~~(4)~~ (3)

3 (5) ~~(6)~~ As used in this subsection, immediate family
4 means a spouse, parent, brother, sister, son, or daughter A
5 candidate and members of that candidate's immediate family may
6 not contribute in total to that person's candidate committee an
7 amount ~~which~~ THAT is more than \$50,000 00 in value for an elec-
8 tion cycle

9 (6) ~~(7)~~ Section 52(2) and ~~52(7)~~ (6) apply to determining
10 when an election cycle begins and ends and to which election
11 cycle a particular contribution shall be attributed

12 (7) ~~(8)~~ The candidate committee of a candidate for gover-
13 nor that does not make application for FUNDS FROM THE state cam-
14 paign ~~funds~~ FUND and that accepts from the candidate and the
15 candidate's immediate family contributions that total for an
16 election cycle more than \$340,000 00 shall notify the secretary
17 of state in writing within 48 hours after receipt of this
18 amount Within 2 business days after receipt of this notice, the
19 secretary of state shall send notice to all candidates who are
20 either seeking the same nomination in the case of a primary
21 election, or election to that same office in the case of a gen-
22 eral election informing those candidate committees of all of the
23 following

24 (a) That the expenditure limits provided in section 67 are
25 waived for the remainder of that election for those notified can-
26 didate committees that receive FUNDS FROM THE state campaign
27 ~~funds~~ FUND under this act

1 (b) That the expenditure limits of section 67 are not waived
2 for the purpose of determining the amount of public funds avail-
3 able to a candidate under section 64 or 65

4 (8) ~~-(9)-~~ A person who knowingly violates this section is
5 guilty of a misdemeanor punishable, if the person is an individu-
6 al, by a fine of not more than \$1,000 00 ~~—~~ or imprisonment for
7 not more than 90 days, or both, or, if the person is not an indi-
8 vidual, by a fine of not more than \$10,000 00

9 Section 2 This amendatory act shall take effect April 1,
10 1995