



SENATE BILL No. 595

April 29, 1993, Introduced by Senators EMMONS,
ARTHURHULTZ, KELLY, KOIVISTO and DI NELLO and
referred to the Committee on Government Operations.

A bill to amend sections 12, 64, 65, 66, and 67 of Act
No. 388 of the Public Acts of 1976, entitled
"Michigan campaign finance act,"
sections 64, 66, and 67 as amended by Act No. 95 of the Public
Acts of 1989 and section 65 as amended by Act No. 204 of the
Public Acts of 1980, being sections 169.212, 169.264, 169.265,
169.266, and 169.267 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 12, 64, 65, 66, and 67 of Act No. 388
2 of the Public Acts of 1976, sections 64, 66, and 67 as amended by
3 Act No. 95 of the Public Acts of 1989 and section 65 as amended
4 by Act No. 204 of the Public Acts of 1980, being
5 sections 169.212, 169.264, 169.265, 169.266, and 169.267 of the
6 Michigan Compiled Laws, are amended to read as follows:

1 Sec. 12. (1) "Qualifying contribution" means a
2 contribution of money made by a written instrument by a person
3 other than the candidate or the candidate's immediate family, to
4 the candidate committee of a candidate for the office of governor
5 ~~which~~ THAT is \$100.00 or less and made after April 1 of the
6 year preceding a year in which a governor is to be elected. Not
7 more than \$100.00 of a person's total aggregate contribution may
8 be used as a qualifying contribution in any calendar year.

9 Qualifying contribution does not include a subscription, loan,
10 advance, deposit of money, in-kind contribution or expenditure,
11 or anything else of value except as prescribed in this act.

12 QUALIFYING CONTRIBUTION DOES NOT INCLUDE A CONTRIBUTION BY AN
13 INDIVIDUAL WHO RESIDES OUTSIDE OF THIS STATE.

14 (2) "State elective office" means the office of governor,
15 lieutenant governor, secretary of state, attorney general, jus-
16 tice of the supreme court, member of the state board of educa-
17 tion, regent of the university of Michigan, member of the board
18 of trustees of Michigan state university, member of the board of
19 governors of Wayne state university, and member of the state
20 legislature.

21 Sec. 64. (1) A candidate in a primary election may obtain
22 funds from the state campaign fund in an amount equal to \$2.00
23 for each \$1.00 of qualifying contribution if the candidate certi-
24 fies to the secretary of state both of the following:

25 (a) That the candidate committee of the candidate received
26 an amount of qualifying contributions at least equal to 5% of the
27 candidate's designated spending limit.

1 (b) That the full name and address of each person making a
2 qualifying contribution is recorded by the candidate committee of
3 the candidate certifying. This requirement is in addition to and
4 not in lieu of any other requirements relating to the recording
5 and reporting of contributions.

6 (2) A candidate is not entitled to funds from the state cam-
7 paign fund for a primary election if it is determined the name of
8 the candidate is ineligible to appear on the primary election
9 ballot pursuant to section 53 of THE MICHIGAN ELECTION LAW, Act
10 No. 116 of the Public Acts of 1954, as amended, being section
11 168.53 of the Michigan Compiled Laws. A candidate who does not
12 file nominating petitions for the office of governor or who files
13 an insufficient petition for that office shall return all funds
14 received from the state campaign fund for that primary election.

15 (3) A candidate shall not receive from the state campaign
16 fund for a primary more than ~~66% of the candidate's expenditure~~
17 ~~limit designated in section 67(1)~~ \$900,000.00.

18 (4) For purposes of this section, primary election is the
19 election described in section 52 of Act No. 116 of the Public
20 Acts of 1954, as amended, being section 168.52 of the Michigan
21 Compiled Laws.

22 Sec. 65. (1) A major political party nominee is entitled
23 to payment of not more than ~~75% of the spending limit as desig-~~
24 ~~nated in section 67~~ \$1,250,000.00 for a general election. A
25 candidate may, subject to law, raise the remaining ~~25%~~ AMOUNT
26 of the permissible expenditure limit in private contributions.
27 An eligible candidate in a general election may elect to accept

1 partial payment of ~~moneys~~ MONEY from the state campaign fund
2 and instead raise private contributions as provided by law which,
3 when added to the amount received from the state campaign fund,
4 does not exceed the expenditure limit designated in section 67.

5 (2) A minor political party nominee whose party received 5%
6 or more of the vote for the same office in the last election is
7 entitled to an amount of not more than ~~75% of the spending limit~~
8 ~~as designated in section 67~~ \$1,250,000.00, multiplied by the
9 number of popular votes the minor party received in the preceding
10 general election for governor ~~which is~~ AND THEN divided by the
11 average number of votes the major parties received in that gen-
12 eral election for governor.

13 (3) A minor political party nominee not eligible under sub-
14 section (2) but who receives more than 5% of the vote in that
15 general election for governor is entitled to reimbursement in an
16 amount of not more than ~~75% of the spending limit as designated~~
17 ~~in section 67~~ \$1,250,000.00, multiplied by the number of popular
18 votes the minor party received in the preceding general election
19 for governor ~~which is~~ AND THEN divided by the average number of
20 votes the major parties received in that general election for
21 governor.

22 (4) A minor political party nominee qualified under subsec-
23 tion (2) who receives more popular votes in an election than the
24 candidate of that minor political party received at the preceding
25 election is entitled to additional reimbursement in an amount
26 determined as follows:

1 (a) Compute the amount which the candidate would have
2 received under subsection (3) had the candidate otherwise
3 qualified.

4 (b) Subtract the amount received under subsection (2) from
5 the amount computed under subdivision (a).

6 (5) A candidate listed on the ballot in the general election
7 is entitled to \$1.00 for each \$1.00 of qualifying contributions
8 certified to the secretary of state pursuant to this act up to
9 ~~50% of the candidate's spending limit pursuant to section 67-~~
10 \$750,000.00, if the candidate has certified to the secretary of
11 state an amount of dollars in qualifying contributions equal to
12 5% of the candidate's ~~designated~~ spending limit UNDER SECTION
13 67. A candidate who chooses to receive any public funds under
14 this subsection ~~may~~ SHALL not receive any ~~moneys~~ MONEY under
15 subsection (1), (2), (3), or (4).

16 (6) A major political party nominee shall receive from the
17 state treasurer 5% of any funds ~~which~~ THAT the candidate may be
18 entitled to under this section not later than 10 days after the
19 primary election, unless there is less than a 2% difference in
20 vote totals of the top 2 primary election candidates of the same
21 political party according to unofficial vote totals available to
22 the secretary of state. The balance of any funds owed to a major
23 political party nominee under this section shall be payable by
24 the state treasurer within 3 days after the board of state
25 canvassers' certification of the primary election results, but
26 not later than 30 days after the primary election. Any funds
27 paid to a major political party nominee under this section either

1 erroneously or based on election results ~~which~~ THAT are
2 reversed due to a recount or fraud shall be repaid by that major
3 political party nominee to the state treasurer within 60 days of
4 receipt of notification by certified mail from the state
5 treasurer.

6 Sec. 66. (1) A candidate may only apply the funds received
7 under this act against qualified campaign expenditures.

8 (2) As used in this section, "qualified campaign
9 expenditure" means an expenditure for services, materials, facil-
10 ities, or other things of value by the candidate committee to
11 further the candidate's nomination or election to office during
12 the year in which the primary or general election in which the
13 candidate seeks nomination or election is held. Qualified cam-
14 paign expenditure does not include:

15 (a) An expenditure in violation of any law of the United
16 States or of this state.

17 (b) A payment made to the candidate or a relative within the
18 third degree of consanguinity of the candidate, or to a business
19 with which the candidate or the relative is associated.

20 (c) A payment to the extent clearly in excess of the fair
21 market value of services, materials, facilities, or other things
22 of value received in exchange.

23 (d) That portion of any salary or wage to an individual in
24 excess of \$5,000.00 per month.

25 (e) Payment from petty cash.

26 (f) Gifts, except brochures, buttons, signs, and other
27 printed campaign material.

(g) Payment to a defense fund.

~~(h) Expenditures made for the solicitation of contributions which are exempted from the candidate's expenditure limits under section 67(2).~~

(3) A candidate shall keep ~~these~~ THE funds received under this act in a separate account. The candidate's qualified expenditures may be paid from ~~this~~ THE SEPARATE account unless the account does not have a balance. An unexpended balance in ~~this~~ THE SEPARATE account shall be refunded and credited to the general fund within 60 days after the election for which the funds were received. Payment received from the state campaign fund for expenditures in 1 election shall not be used for expenditures in a subsequent election.

(4) A person who knowingly violates this section is guilty of a felony punishable, if the person is an individual, by a fine of not more than \$2,000.00, or imprisonment for not more than 3 years, or both, or, if the person not an individual, by a fine of not more than \$10,000.00.

Sec. 67. (1) Expenditures made by a candidate committee to further the nomination or election of a candidate may not exceed ~~\$1,500,000.00~~ \$2,000,000.00 in the aggregate for 1 election.

~~(2) Expenditures made by a candidate committee for the solicitation of contributions which expenditures are not more than 20% of the candidate committee's expenditure limit designated in subsection (1) shall not be considered as expenditures for the purposes of the expenditure limitations set forth in subsection (1).~~

1 (2) ~~-(3)-~~ An expenditure by a candidate committee to
2 purchase space in a newspaper or other periodical or time on
3 radio or television for the purpose of responding to an editorial
4 in the same newspaper or periodical or on the same station or
5 channel ~~-which-~~ THAT was unfavorable to the committee's candidate
6 or ~~-which- endorsed-~~ THAT ENDORSED the candidate's opponent shall
7 not be considered an expenditure for the purposes of the expendi-
8 ture limitations set forth in subsection (1). This subsection
9 only applies to 1 response made to a particular editorial, unfav-
10 orable report, or endorsement of an opponent and ~~-shall-~~ DOES
11 not apply unless the candidate is refused free space or time in
12 which to answer.

13 (3) ~~-(4)-~~ A person who knowingly violates subsection (1) is
14 guilty of a misdemeanor punishable by a fine of not more than
15 \$1,000.00, or imprisonment for not more than 90 days, or both.

16 (4) ~~-(5)-~~ If a person who is subject to this section is
17 found guilty, the circuit court, ~~-of that county,~~ on application
18 by the attorney general, may prohibit that person from assuming
19 the duties of a public office or from receiving compensation from
20 public funds, or both.