

Act No. 264  
Public Acts of 1995  
Approved by the Governor  
January 7, 1996  
Filed with the Secretary of State  
January 8, 1996

**STATE OF MICHIGAN**  
**88TH LEGISLATURE**  
**REGULAR SESSION OF 1995**

Introduced by Reps. Munsell, Nye, Sikkema, London, DeLange, Dolan, Dobb, Bullard, Gustafson, Bobier,  
Bryant, Kaza, Middleton and Brackenridge

# **ENROLLED HOUSE BILL No. 5410**

AN ACT to amend sections 5, 6, 8, 11, 12, 26, 29, 32, 33, 52, 54, 55, and 69 of Act No. 388 of the Public Acts of 1976, entitled as amended "An act to regulate political activity; to regulate campaign financing; to restrict campaign contributions and expenditures; to require campaign statements and reports; to regulate anonymous contributions; to regulate campaign advertising and literature; to provide for segregated funds for political purposes; to provide for the use of public funds for political purposes; to create certain funds; to provide for reversion, retention, or refunding of unexpended balances in certain funds; to require other statements and reports; to regulate acceptance of certain gifts, payments, and reimbursements; to prescribe the powers and duties of certain state departments and state and local officials and employees; to provide appropriations; to prescribe penalties and provide remedies; and to repeal certain acts and parts of acts," section 5 as amended by Act No. 7 of the Public Acts of 1992, sections 6, 8, 26, 29, 52, 54, and 55 as amended by Act No. 117 of the Public Acts of 1994, section 12 as amended by Act No. 262 of the Public Acts of 1993, and sections 33 and 69 as amended by Act No. 95 of the Public Acts of 1989, being sections 169.205, 169.206, 169.208, 169.211, 169.212, 169.226, 169.229, 169.232, 169.233, 169.252, 169.254, 169.255, and 169.269 of the Michigan Compiled Laws; and to add sections 24a, 25a, 33a, 52a, and 57.

*The People of the State of Michigan enact:*

Section 1. Sections 5, 6, 8, 11, 12, 26, 29, 32, 33, 52, 54, 55, and 69 of Act No. 388 of the Public Acts of 1976, section 5 as amended by Act No. 7 of the Public Acts of 1992, sections 6, 8, 26, 29, 52, 54, and 55 as amended by Act No. 117 of the Public Acts of 1994, section 12 as amended by Act No. 262 of the Public Acts of 1993, and sections 33 and 69 as amended by Act No. 95 of the Public Acts of 1989, being sections 169.205, 169.206, 169.208, 169.211, 169.212, 169.226, 169.229, 169.232, 169.233, 169.252, 169.254, 169.255, and 169.269 of the Michigan Compiled Laws, are amended and sections 24a, 25a, 33a, 52a, and 57 are added to read as follows:

Sec. 5. (1) "Domestic dependent sovereign" means an Indian tribe that has been acknowledged, recognized, restored, or reaffirmed as an Indian tribe by the secretary of the interior pursuant to chapter 576, 48 Stat. 984, 25 U.S.C. 461 to 463, 464 to 465, 466 to 470, 471 to 472, 473, 474 to 475, 476 to 478, and 479, commonly referred to as the Indian reorganization act, or has otherwise been acknowledged by the United States government as an Indian tribe.

(2) "Election" means a primary, general, special, or millage election held in this state or a convention or caucus of a political party held in this state to nominate a candidate. Election includes a recall vote.

(3) "Election cycle" means 1 of the following:

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

(b) For a special election, the period beginning the day a special general election is called or the date the office becomes vacant, whichever is earlier, and ending on the day of the special general election.

(4) "Elective office" means a public office filled by an election, except for federal offices. A person who is appointed to fill a vacancy in a public office that is ordinarily elective holds an elective office. Elective office does not include the office of precinct delegate. Except for the purposes of sections 47, 54, and 55, elective office does not include a school board member in a school district that has a pupil membership of 2,400 or less enrolled on the most recent pupil membership count day. However, elective office includes a school board member in a school district that has a pupil membership of 2,400 or less, if a candidate committee of a candidate for the office of school board member in that school district receives an amount in excess of \$1,000.00 or expends an amount in excess of \$1,000.00.

Sec. 6. (1) "Expenditure" means a payment, donation, loan, or promise of payment of money or anything of ascertainable monetary value for goods, materials, services, or facilities in assistance of, or in opposition to, the nomination or election of a candidate, or the qualification, passage, or defeat of a ballot question. Expenditure includes but is not limited to any of the following:

(a) A contribution or a transfer of anything of ascertainable monetary value for purposes of influencing the nomination or election of a candidate or the qualification, passage, or defeat of a ballot question.

(b) Except as otherwise provided in subsection (2)(f) or (g), an expenditure for voter registration or get-out-the-vote activities made by a person who sponsors or finances the activity or who is identified by name with the activity.

(c) Except as otherwise provided in subsection (2)(f) or (g), an expenditure made for poll watchers, challengers, distribution of election day literature, canvassing of voters to get out the vote, or transporting voters to the polls.

(2) Expenditure does not include any of the following:

(a) An expenditure for communication by a person with the person's paid members or shareholders and those individuals who can be solicited for contributions to a separate segregated fund under section 55.

(b) An expenditure for communication on a subject or issue if the communication does not support or oppose a ballot question or candidate by name or clear inference.

(c) An expenditure for the establishment, administration, or solicitation of contributions to a separate segregated fund or independent committee.

(d) An expenditure by a broadcasting station, newspaper, magazine, or other periodical or publication for a news story, commentary, or editorial in support of or opposition to a candidate for elective office or a ballot question in the regular course of publication or broadcasting.

(e) An offer or tender of an expenditure if expressly and unconditionally rejected or returned.

(f) An expenditure for nonpartisan voter registration or nonpartisan get-out-the-vote activities made by an organization that is exempt from federal income tax pursuant to section 501(c)(3) of the internal revenue code of 1986, 26 U.S.C. 501, or any successor statute.

(g) An expenditure for nonpartisan voter registration or nonpartisan get-out-the-vote activities performed pursuant to sections 491 to 524 of the Michigan election law, Act No. 116 of the Public Acts of 1954, being sections 168.491 to 168.524 of the Michigan Compiled Laws, by the secretary of state and other registration officials who are identified by name with the activity.

Sec. 8. (1) "House political party caucus committee" means an independent committee established by a political party caucus of the state house of representatives under section 24a.

(2) "Immediate family" means any child residing in a candidate's household, the candidate's spouse, or any individual claimed by that candidate or that candidate's spouse as a dependent for federal income tax purposes.

(3) "Independent committee" means a committee, other than a political party committee, which before contributing to a candidate committee of a candidate for state elective office under section 52(2) or 69(2) files a statement of organization as an independent committee at least 6 months before an election for which it expects to accept contributions or make expenditures in support of or in opposition to a candidate for nomination to or election to a state elective office; and receives contributions from at least 25 persons and makes expenditures not to exceed the limitations of section 52(1) in support of or in opposition to 3 or more candidates for nomination for or election to a state elective office in the same calendar year.

Sec. 11. (1) "Person" means a business, individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, labor organization, company, corporation, association, committee, or any other organization or group of persons acting jointly.

(2) "Political committee" means a committee that is not a candidate committee, political party committee, independent committee, or ballot question committee.

(3) "Political merchandise" means goods such as bumper stickers, pins, hats, beverages, literature, or other items sold by a person at a fund raiser or to the general public for publicity or for the purpose of raising funds to be used in supporting or opposing a candidate for nomination for or election to an elective office or in supporting or opposing the qualification, passage, or defeat of a ballot question.

(4) "Political party" means a political party which has a right under law to have the names of its candidates listed on the ballot in a general election.

(5) "Political party committee" means a state central, district, or county committee of a political party which is a committee. Each state central committee shall designate the official party county and district committees. There shall not be more than 1 officially designated political party committee per county and per congressional district.

(6) "Public body" means a legislative or governing body of this state or political subdivision of this state that is empowered by the state constitution of 1963, statute, charter, ordinance, resolution, or rule to exercise governmental or proprietary authority or perform a governmental or proprietary function. Public body includes but is not limited to a board, commission, authority, or council that meets the requirements of this subsection.

Sec. 12. (1) "Qualifying contribution" means a contribution of money made by a written instrument by an individual to the candidate committee of a candidate for the office of governor that is \$100.00 or less and made after April 1 of the year preceding a year in which a governor is to be elected. Not more than \$100.00 of an individual's total aggregate contribution may be used as a qualifying contribution in any calendar year. Qualifying contribution does not include a subscription, loan, advance, deposit of money, in-kind contribution or expenditure, or anything else of value except as prescribed in this act. Qualifying contribution does not include a contribution by an individual who resides outside of this state. For purposes of this subsection, an individual is considered to reside in this state if he or she is considered a resident of this state under the Michigan election law, Act No. 116 of the Public Acts of 1954, being sections 168.1 to 168.992 of the Michigan Compiled Laws.

(2) "Senate political party caucus committee" means an independent committee established by a political party caucus of the state senate under section 24a.

(3) "State elective office" means the office of governor, lieutenant governor, secretary of state, attorney general, justice of the supreme court, member of the state board of education, regent of the university of Michigan, member of the board of trustees of Michigan state university, member of the board of governors of Wayne state university, and member of the state legislature.

Sec. 24a. (1) A political party caucus of the state house of representatives may maintain 1 house political party caucus committee. A political party caucus of the state house of representatives shall not maintain more than 1 house political party caucus committee. Not later than 30 days after the effective date of this section, the leader of each political party caucus of the state house of representatives shall establish or designate the independent committee that is the house political party caucus committee under this section. Not later than 30 days after the effective date of this section, a political party caucus of the state house of representatives shall dissolve all independent committees established by that political party caucus under this act before the effective date of this section, other than the designated house political party caucus committee under this subsection.

(2) A political party caucus of the state senate may maintain 1 senate political party caucus committee. A political party caucus of the state senate shall not maintain more than 1 senate political party caucus committee. Not later than 30 days after the effective date of this section, the leader of each political party caucus of the state senate shall establish or designate the independent committee that is the senate political party caucus committee under this section. Not later than 30 days after the effective date of this section, a political party caucus of the state senate shall dissolve all independent committees established by that political party caucus under this act before the effective date of this section, other than the designated senate political party caucus committee under this subsection.

Sec. 25a. (1) Notwithstanding any other section of this act to the contrary, a committee that is licensed under and conducts an event pursuant to the bingo act is subject to the following:

(a) Except as otherwise provided in subdivision (b), the reporting requirements on cash contributions under this act are only applicable to cash contributions of \$25.00 or more at an event conducted pursuant to the bingo act.

(b) The following requirements of this act do not apply to a charity game conducted pursuant to the bingo act:

(i) Subdivision (a).

(ii) The reporting requirements on contributions of more than \$20.00.

(iii) The requirement that contributions of more than \$20.00 be made by written instrument.

(c) The committee may accept cash contributions of \$50.00 or less per individual per event conducted pursuant to the bingo act.

(d) The committee may establish a separate account in a financial institution in this state as required under the bingo act or rules promulgated under the bingo act.

(e) The committee shall attach to a campaign statement required under this act the most recent report filed with the bureau of state lottery under the bingo act.

(2) As used in this section:

(a) "Bingo act" means the Traxler-McCauley-Law-Bowman bingo act, Act No. 382 of the Public Acts of 1972, being sections 432.101 to 432.120 of the Michigan Compiled Laws.

(b) "Event" means bingo, millionaire party, or charitable game as those terms are defined in the bingo act.

Sec. 26. (1) A campaign statement of a committee, other than a political party committee, required by this act shall contain all of the following information:

(a) The filing committee's name, address, and telephone number, and the full name, residential and business addresses, and telephone numbers of the committee treasurer or other individual designated as responsible for the committee's record keeping, report preparation, or report filing.

(b) Under the heading "receipts", the total amount of contributions received during the period covered by the campaign statement; under the heading "expenditures", the total amount of expenditures made during the period covered by the campaign statement; and the cumulative amount of those totals. Forgiveness of a loan shall not be included in the totals. Payment of a loan by a third party shall be recorded and reported as an in-kind contribution by the third party. In-kind contributions or expenditures shall be listed at fair market value and shall be reported as both contributions and expenditures. A contribution or expenditure that is by other than completed and accepted payment, gift, or other transfer, that is clearly not legally enforceable, and that is expressly withdrawn or rejected and returned before a campaign statement closing date need not be included in the campaign statement and if included may, in a later or amended statement, be shown as a deduction, but the committee shall keep adequate records of each instance.

(c) The balance of cash on hand at the beginning and the end of the period covered by the campaign statement.

(d) The total amount of contributions received during the period covered by the campaign statement from persons who contributed more than \$20.00.

(e) The total amount of contributions received during the period covered by the campaign statement from persons who contributed \$20.00 or less.

(f) The total amount of contributions of \$20.00 or less received during the period covered by the campaign statement and the cumulative amount of the contributions received by the filer pursuant to section 41(3).

(g) The following information regarding each fund-raising event shall be included in the report:

(i) The type of event, date held, address and name, if any, of the place where the activity was held, and approximate number of individuals participating or in attendance.

(ii) The total amount of all contributions of more than \$20.00.

(iii) The total amount of all contributions of \$20.00 or less.

(iv) The gross receipts of the fund-raising event.

(v) The expenditures incident to the event.

(h) The full name of each individual from whom contributions totaling more than \$20.00 are received during the period covered by the campaign statement, together with the individual's street address, the amount contributed, the date on which each contribution was received, and the cumulative amount contributed by that individual. The occupation, employer, and principal place of business shall be stated if the individual's cumulative contributions are more than \$100.00.

(i) The cumulative amount contributed and the name and address of each individual, except those individuals reported under subdivision (h), who contributed a total of more than \$20.00. The occupation, employer, and principal place of business, shall be stated for each individual who contributed more than \$100.00.

(j) The name and street address of each person, other than an individual, from whom contributions are received during the period covered by the campaign statement, together with an itemization of the amounts contributed, the date on which each contribution was received, and the cumulative amount contributed by that person.

(k) The name, address, and amount given by an individual who contributed more than \$20.00 to the total amount contributed by a person who is other than a committee or an individual. The occupation, employer, and principal place of business shall be stated if the individual contributed more than \$100.00 of the total amount contributed by a person who is other than a committee or an individual.

(l) The cumulative total of expenditures of \$50.00 or less made during the period covered by the campaign statement except for expenditures made to or on behalf of another committee, candidate, or ballot question.

(m) The full name and street address of each person to whom expenditures totaling more than \$50.00 were made, together with the amount of each separate expenditure to each person during the period covered by the campaign statement; the purpose of the expenditure; the full name and street address of the person providing the consideration

for which any expenditure was made if different from the payee; the itemization regardless of amount of each expenditure made to or on behalf of another committee, candidate, or ballot question; and the cumulative amount of expenditures for or against that candidate or ballot question for an election cycle. An expenditure made in support of more than 1 candidate or ballot question, or both, shall be apportioned reasonably among the candidates or ballot questions, or both.

(2) A candidate committee or ballot question committee shall report all cumulative amounts required by this section on a per election cycle basis. Except for subsection (1)(m), an independent committee or political committee shall report all cumulative amounts required by this section on a calendar year basis.

(3) A campaign statement of a committee, in addition to the other information required by this section, shall include an itemized list of all expenditures during the reporting period for election day busing of electors to the polls, get-out-the-vote activities, slate cards, challengers, poll watchers, and poll workers.

Sec. 29. (1) A campaign statement filed by a political party committee shall contain all of the following information:

(a) The full name of each person from whom contributions totaling more than \$20.00 in value are received in a calendar year, the amount, and the date or dates contributed; and, if the person is a committee, the name and address of the committee and the full name of the committee treasurer, together with the amount of the contribution and the date received. The occupation, employer, and principal place of business, if any, shall be listed for each person from whom contributions totaling more than \$100.00 are received in a calendar year.

(b) Accompanying a campaign statement reporting the receipt of a contribution of more than \$20.00 from a committee or person whose treasurer does not reside in, whose principal office is not located in, or whose funds are not kept in this state, and whose committee has not filed a statement of organization as required in section 24, shall be a statement setting forth the full name and address of the treasurer of the committee.

(c) An itemized list of all expenditures, including in-kind contributions and expenditures and loans, made during the period covered by the campaign statement that were contributions to a candidate committee of a candidate for elective office or a ballot question committee; or independent expenditures in support of the qualification, passage, or defeat of a ballot question or in support of the nomination or election of a candidate for elective office or the defeat of any of the candidate's opponents.

(d) The total expenditure by the committee for each candidate for elective office or ballot question in whose behalf an independent expenditure was made or a contribution was given for the election cycle.

(e) The filer's name, address, and telephone number, if available, if any, and the full name, address, and telephone number, if available, of the committee treasurer.

(2) The committee shall identify an expenditure listed under subsection (1)(c) as an independent expenditure or as a contribution to a candidate committee or a ballot question committee.

(3) The committee shall designate for a contribution to or on behalf of a candidate committee or ballot question committee listed under subsection (1)(c) the name and address of the committee, the name of the candidate and the office sought, if any, the amount contributed, and the date of contribution.

(4) The committee shall designate for an independent expenditure listed under subsection (1)(c) either the name of the candidate for whose benefit the expenditure was made and the office sought by the candidate, or a brief description of the ballot question for which the expenditure was made; the amount, date, and purpose of the expenditure; and the full name and address of the person to whom the expenditure was made.

(5) The committee shall apportion an expenditure listed that was made in support of more than 1 candidate or ballot question, or both, reasonably among the candidates or ballot questions, or both.

(6) A campaign statement of a committee, in addition to the other information required by this section, shall include an itemized list of all expenditures during the reporting period for election day busing of electors to the polls, get-out-the-vote activities, slate cards, challengers, poll watchers, and poll workers.

Sec. 32. (1) A late contribution shall be reported by filing with the filing officer within 48 hours after its receipt the full name, street address, occupation, employer, and principal place of business of the contributor. Filing of a report of late contributions may be by any written means of communication and need not contain an original signature. A late contribution shall be reported on subsequent campaign statements without regard to reports filed pursuant to this section. If a campaign statement has not been filed, a late contribution may be reported, if practicable, in the campaign statement and need not, therefore, be reported in a subsequent campaign statement.

(2) A committee, candidate, treasurer, or other individual designated as responsible for the committee's record keeping, report preparation, or report filing who fails to report a late contribution as required by this section shall pay a late filing fee of \$25.00 for each business day the report remains unfiled. The late filing fee shall not exceed \$500.00.

(3) As used in this section "late contribution" means a contribution of \$200.00 or more received after the closing date of the last campaign statement required to be filed before an election.

Sec. 33. (1) A committee, other than an independent committee or a political committee required to file with the secretary of state, supporting or opposing a candidate shall file campaign statements as required by this act according to the following schedule:

(a) A preelection campaign statement shall be filed not later than the eleventh day before an election. The closing date for a campaign statement filed under this subdivision shall be the sixteenth day before the election.

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

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

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

(b) A committee other than a candidate committee shall file a campaign statement for each period during which expenditures are made for the purpose of influencing the nomination or election of a candidate or for the qualification, passage, or defeat of a ballot question.

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

(a) In an odd numbered year:

(i) Not later than January 31 of that year with a closing date of December 31 of the previous year.

(ii) Not later than July 25 with a closing date of July 20.

(iii) Not later than October 25 with a closing date of October 20.

(b) In an even numbered year:

(i) Not later than April 25 of that year with a closing date of April 20 of that year.

(ii) Not later than July 25 with a closing date of July 20.

(iii) Not later than October 25 with a closing date of October 20.

(4) A house political party caucus committee or a senate political party caucus committee required to file with the secretary of state shall file campaign statements as required by this act according to the following schedule:

(a) Not later than January 31 of each year with a closing date of December 31 of the immediately preceding year.

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

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

(d) Not later than October 25 of each year with a closing date of October 20 of that year.

(e) For the period beginning on the fourteenth day immediately preceding a primary or special primary election and ending on the day immediately following the primary or special primary election, not later than 4 p.m. each business day with a closing date of the immediately preceding day, only for a contribution received or expenditure made that exceeds \$1,000.00 per day.

(f) For the period beginning on the fourteenth day immediately preceding a general or special election and ending on the day immediately following the general or special election, not later than 4 p.m. each business day with a closing date of the immediately preceding day, only for a contribution received or expenditure made that exceeds \$1,000.00 per day.

(5) Notwithstanding subsection (3) or (4) or section 51, if an independent expenditure is made within 45 days before a special election by an independent committee or a political committee required to file a campaign statement with the secretary of state, a report of the expenditure shall be filed by the committee with the secretary of state within 48 hours after the expenditure. The report shall be made on a form provided by the secretary of state and shall include the date of the independent expenditure, the amount of the expenditure, a brief description of the nature of the expenditure, and the name and address of the person to whom the expenditure was paid. The brief description of the expenditure shall include either the name of the candidate and the office sought by the candidate or the name of the ballot question and shall state whether the expenditure supports or opposes the candidate or ballot question. This subsection does not apply if the committee is required to report the independent expenditure in a campaign statement that is required to be filed before the date of the election for which the expenditure was made.

(6) A candidate committee or a committee other than a candidate committee that files a written statement under section 24(5) or (6) need not file a campaign statement under subsection (1), (3), or (4) unless it received or expended an amount in excess of \$1,000.00. If the committee receives or expends an amount in excess of \$1,000.00 during a period covered by a filing, the committee is then subject to the campaign filing requirements under this act.

(7) A committee, candidate, treasurer, or other individual designated as responsible for the committee's record keeping, report preparation, or report filing who fails to file a statement as required by this section shall pay a late filing fee of \$25.00 for each business day the statement remains unfiled. The late filing fee shall not exceed \$500.00. If a candidate, treasurer, or other individual designated as responsible for the committee's record keeping, report preparation, or report filing fails to file 2 statements required by this section or section 35 and both of the statements remain unfiled for more than 30 days, that candidate, treasurer, or other designated individual is guilty of a misdemeanor, punishable by a fine of not more than \$1,000.00, or imprisonment for not more than 90 days, or both.

(8) If a candidate subject to this section is found guilty, the circuit court for that county, on application by the attorney general or the prosecuting attorney of that county, may prohibit that candidate from assuming the duties of a public office or from receiving compensation from public funds, or both.

(9) If a treasurer or other individual designated as responsible for a committee's record keeping, report preparation, or report filing knowingly files an incomplete or inaccurate statement or report required by this section, that treasurer or other designated individual is subject to a civil fine of not more than \$1,000.00.

Sec. 33a. A political committee, independent committee, or political party committee that makes a contribution to a candidate or ballot question committee shall include with the contribution all information that the receiving committee is required to include in a campaign statement filed pursuant to section 26 regarding the contributing committee.

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

- (a) \$3,400.00 for a candidate for state elective office other than the office of state legislator.
- (b) \$1,000.00 for a candidate for state senator.
- (c) \$500.00 for a candidate for state representative.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 52a. (1) A person shall not make contributions to a house political party caucus committee or a senate political party caucus committee that exceed \$20,000.00 in a calendar year. A house political party caucus committee or a senate political party caucus committee or a treasurer or agent of the committee shall not accept a contribution with respect to a 2-year election cycle that exceeds the limitation in this section.

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

Sec. 54. (1) Except with respect to the exceptions and conditions in subsections (2) and (3) and section 55, and to loans made in the ordinary course of business, a corporation, joint stock company, domestic dependent sovereign, or labor organization shall not make a contribution or expenditure or provide volunteer personal services that are excluded from the definition of a contribution pursuant to section 4(3)(a).

(2) An officer, director, stockholder, attorney, agent, or any other person acting for a labor organization, a domestic dependent sovereign, or a corporation or joint stock company, whether incorporated under the laws of this or any other state or foreign country, except corporations formed for political purposes, shall not make a contribution or expenditure or provide volunteer personal services that are excluded from the definition of a contribution pursuant to section 4(3)(a).

(3) A corporation, joint stock company, domestic dependent sovereign, or labor organization may make a contribution to a ballot question committee subject to this act. A corporation, joint stock company, domestic dependent sovereign, or labor organization may make an independent expenditure in any amount for the qualification, passage, or defeat of a ballot question. A corporation, joint stock company, domestic dependent sovereign, or labor organization that makes an independent expenditure under this subsection is considered a ballot question committee for the purposes of this act.

(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 \$5,000.00 or imprisonment for not more than 3 years, or both, or, if the person is not an individual, by a fine of not more than \$10,000.00.

Sec. 55. (1) A corporation organized on a for profit or nonprofit basis, a joint stock company, a domestic dependent sovereign, or a labor organization formed under the laws of this or another state or foreign country may make an expenditure for the establishment and administration and solicitation of contributions to a separate segregated fund to be used for political purposes. A separate segregated fund established under this section shall be limited to making contributions to, and expenditures on behalf of, candidate committees, ballot question committees, political party committees, political committees, and independent committees.

(2) Contributions for a separate segregated fund established by a corporation, organized on a for profit basis, or a joint stock company under this section may be solicited from any of the following persons or their spouses:



- (a) Stockholders of the corporation or company.
- (b) Officers and directors of the corporation or company.
- (c) Employees of the corporation or company who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

(3) Contributions for a separate segregated fund established under this section by a corporation organized on a nonprofit basis may be solicited from any of the following persons or their spouses:

- (a) Members of the corporation who are individuals.
- (b) Stockholders of members of the corporation.
- (c) Officers or directors of members of the corporation.
- (d) Employees of the members of the corporation who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.
- (e) Employees of the corporation who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

(4) Contributions for a separate segregated fund established under this section by a labor organization may be solicited from any of the following persons or their spouses:

- (a) Members of the labor organization who are individuals.
- (b) Officers or directors of the labor organization.
- (c) Employees of the labor organization who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

(5) Contributions for a separate segregated fund established under this section by a domestic dependent sovereign may be solicited from an individual who is a member of any domestic dependent sovereign.

(6) Contributions shall not be obtained for a separate segregated fund established under this section by use of coercion or physical force, by making a contribution a condition of employment or membership, or by using or threatening to use job discrimination or financial reprisals. A corporation organized on a for profit or nonprofit basis, a joint stock company, a domestic dependent sovereign, or a labor organization shall not solicit or obtain contributions for a separate segregated fund established under this section from an individual described in subsection (2), (3), (4), or (5) on an automatic or passive basis including but not limited to a payroll deduction plan or reverse checkoff method. A corporation organized on a for profit or nonprofit basis, a joint stock company, a domestic dependent sovereign, or a labor organization may solicit or obtain contributions for a separate segregated fund established under this section from an individual described in subsection (2), (3), (4), or (5) on an automatic basis, including but not limited to a payroll deduction plan, only if the individual who is contributing to the fund affirmatively consents to the contribution at least once in every calendar year.

(7) 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 \$5,000.00 or imprisonment for not more than 3 years, or both, or, if the person is not an individual, by a fine of not more than \$10,000.00.

(8) If a corporation, joint stock company, domestic dependent sovereign, or labor organization that obtains contributions for a separate segregated fund from individuals described in subsection (2), (3), (4), or (5) pays to 1 or more of those individuals a bonus or other remuneration for the purpose of reimbursing those contributions, then that corporation, joint stock company, domestic dependent sovereign, or labor organization is subject to a civil fine equal to 2 times the total contributions obtained from all individuals for the separate segregated fund during that calendar year.

Sec. 57. (1) A public body shall not make a contribution or expenditure or provide volunteer personal services that are excluded from the definition of contribution under section 4(3)(a). While acting for a public body, an elected or appointed public official, employee, or any other person shall not make a contribution or expenditure or provide volunteer personal services that are excluded from the definition of a contribution pursuant to section 4(3)(a).

(2) 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 1 year, or both, or if the person is not an individual, by a fine of not more than \$20,000.00.

Sec. 69. (1) Except as provided in subsection (6), a person other than an independent committee or a political party committee shall not make contributions to a candidate committee of a candidate that are more than \$3,400.00 in value for an election cycle.

(2) An independent committee shall not make contributions to a candidate committee that for an election cycle are more than 10 times the amount permitted a person other than an independent committee or political party committee in subsection (1).

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

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

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

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

(7) Sections 5(2) and 52(6) apply to determining when an election cycle begins and ends and to which election cycle a particular contribution is attributed.

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

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

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

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

Section 2. If any portion of this amendatory act or the application of this amendatory act to any person or circumstance is found to be invalid by a court, the invalidity does not affect the remaining portions or applications of this amendatory act that can be given effect without the invalid portion or application, if those remaining portions are not determined by the court to be inoperable. To this end, this amendatory act is declared to be severable.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved -----

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Governor.