



# HOUSE BILL No. 4674

March 28, 1995, Introduced by Reps. Fitzgerald, Voorhees, Hill, McBryde, Kaza, Lowe, Bobier and Jellema and referred to the Committee on House Oversight and Ethics.

A bill to amend sections 5, 6, 8, 9, 12, 15, 16, 22, 26, 28, 29, 32, 33, 36, 41, 42, 46, 47, 52, 62, 66, 67, 68, and<sup>3</sup> 69 of Act No. 388 of the Public Acts of 1976, entitled as amended

"Michigan campaign finance act,"

section 5 as amended by Act No. 7 of the Public Acts of 1992, sections 6, 8, 26, 28, 29, 41, 42, and 52 as amended by Act No. 117 of the Public Acts of 1994, sections 9, 66, and 67 as amended by Act No. 411 of the Public Acts of 1994, section 12 as amended by Act No. 262 of the Public Acts of 1993, sections 15, 22, 33, 36, and 69 as amended by Act No. 95 of the Public Acts of 1989, and section 16 as amended by Act No. 188 of the Public Acts of 1992, being sections 169.205, 169.206, 169.208, 169.209, 169.212, 169.215, 169.216, 169.222, 169.226, 169.228, 169.229, 169.232, 169.233, 169.236, 169.241, 169.242, 169.246, 169.247,

169.252, 169.262, 169.266, 169.267, 169.268, and 169.269 of the Michigan Compiled Laws; and to add sections 18, 19, 21b, and 39.

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

1       Section 1. Sections 5, 6, 8, 9, 12, 15, 16, 22, 26, 28, 29,  
2 32, 33, 36, 41, 42, 46, 47, 52, 62, 66, 67, 68, and 69 of Act  
3 No. 388 of the Public Acts of 1976, section 5 as amended by Act  
4 No. 7 of the Public Acts of 1992, sections 6, 8, 26, 28, 29, 41,  
5 42, and 52 as amended by Act No. 117 of the Public Acts of 1994,  
6 sections 9, 66, and 67 as amended by Act No. 411 of the Public  
7 Acts of 1994, section 12 as amended by Act No. 262 of the Public  
8 Acts of 1993, sections 15, 22, 33, 36, and 69 as amended by Act  
9 No. 95 of the Public Acts of 1989, and section 16 as amended by  
10 Act No. 188 of the Public Acts of 1992, being sections 169.205,  
11 169.206, 169.208, 169.209, 169.212, 169.215, 169.216, 169.222,  
12 169.226, 169.228, 169.229, 169.232, 169.233, 169.236, 169.241,  
13 169.242, 169.246, 169.247, 169.252, 169.262, 169.266, 169.267,  
14 169.268, and 169.269 of the Michigan Compiled Laws, are amended  
15 and sections 18, 19, 21b, and 39 are added to read as follows:

16       Sec. 5. (1) "Election" means a primary, general, special,  
17 or millage election held in this state or a convention or caucus  
18 of a political party held in this state to nominate a candidate.  
19 Election includes a recall vote.

20       (2) "ELECTION CYCLE" MEANS 1 OF THE FOLLOWING:

21       (A) FOR A GENERAL ELECTION, THE PERIOD BEGINNING THE DAY  
22 FOLLOWING THE LAST GENERAL ELECTION IN WHICH THE OFFICE APPEARED  
23 ON THE BALLOT AND ENDING ON THE DAY OF THE GENERAL ELECTION IN  
24 WHICH THE OFFICE NEXT APPEARS ON THE BALLOT.

1 (B) FOR A SPECIAL ELECTION, THE PERIOD BEGINNING THE DAY A  
2 SPECIAL GENERAL ELECTION IS SCHEDULED OR THE DATE THE OFFICE  
3 BECOMES VACANT, WHICHEVER IS EARLIER, AND ENDING ON THE DAY OF  
4 THE SPECIAL GENERAL ELECTION.

5 (3) ~~-(2)-~~ "Elective office" means a public office filled by  
6 an election, except for federal offices. A person who is  
7 appointed to fill a vacancy in a public office that is ordinarily  
8 elective holds an elective office. Elective office does not  
9 include the office of precinct delegate. Except for the purposes  
10 of sections 47, 54, and 55, elective office does not include a  
11 school board member in a school district that has a pupil member-  
12 ship of 2,400 or less enrolled on the most recent pupil member-  
13 ship count day. However, elective office includes a school board  
14 member in a school district that has a pupil membership of 2,400  
15 or less, if a candidate committee of a candidate for the office  
16 of school board member in that school district receives an amount  
17 in excess of \$1,000.00 or expends an amount in excess of  
18 \$1,000.00.

19 Sec. 6. (1) "Expenditure" means a payment, donation, loan,  
20 or promise of payment of money or anything of ascertainable mone-  
21 tary value for goods, materials, services, or facilities in  
22 assistance of, or in opposition to, the nomination or election of  
23 a candidate, or the qualification, passage, or defeat of a ballot  
24 question.

25 (2) Expenditure includes a contribution or a transfer of  
26 anything of ascertainable monetary value for purposes of

1 influencing the nomination or election of a candidate or the  
2 qualification, passage, or defeat of a ballot question.

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

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

8 (B) AN EXPENDITURE FOR COMMUNICATION BY A PERSON UNDER  
9 SECTION 39 TO NOTIFY CONTRIBUTORS OF THE RECEIPT AND DISBURSEMENT  
10 OF FUNDS.

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

14 (D) ~~(c)~~ An expenditure for the establishment, administra-  
15 tion, or solicitation of contributions to a separate segregated  
16 fund or independent committee.

17 (E) ~~(d)~~ An expenditure by a broadcasting station, newspa-  
18 per, magazine, or other periodical or publication for a news  
19 story, commentary, or editorial in support of or opposition to a  
20 candidate for elective office or a ballot question in the regular  
21 course of publication or broadcasting.

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

24 (G) ~~(f)~~ An expenditure for nonpartisan voter registration  
25 or nonpartisan get-out-the-vote activities. This exclusion does  
26 not apply if a candidate or group of candidates sponsors or  
27 finances the activity or is identified by name with the

1 activity. This exclusion does apply to an activity performed  
 2 pursuant to sections 491 to 524 of the Michigan election law, Act  
 3 No. 116 of the Public Acts of 1954, ~~as amended,~~ being sections  
 4 168.491 to 168.524 of the Michigan Compiled Laws, by the secre-  
 5 tary of state and other registration officials who are identified  
 6 by name with the activity. This exclusion does apply to a candi-  
 7 date who is an elected officeholder and whose office is not on  
 8 the ballot for the general election in the calendar year in which  
 9 the expenditure is made or who is not a candidate within the  
 10 meaning of ~~sections 3(1)(a) and 3(1)(b)~~ SECTION 3(1)(A) AND (B)  
 11 and who is identified by name with the activity.

12       Sec. 8. (1) "Immediate family" means ~~any~~ A child residing  
 13 in a candidate's household, the candidate's spouse, or any indi-  
 14 vidual claimed by that candidate or that candidate's spouse as a  
 15 dependent for federal income tax purposes.

16       (2) "Independent committee" means a committee, other than a  
 17 political party committee, ~~which~~ THAT before contributing to a  
 18 candidate committee of a candidate for ~~state~~ elective office  
 19 under section ~~52(3)~~ 52(2) or 69(2) files a statement of organi-  
 20 zation as an independent committee at least 6 months before an  
 21 election for which it expects to accept contributions or make  
 22 expenditures in support of or in opposition to a candidate for  
 23 nomination to or election to a state elective office; and  
 24 receives contributions from at least 25 persons and makes expen-  
 25 ditures not to exceed the limitations of section 52(1) in support  
 26 of or in opposition to 3 or more candidates for nomination for or

1 election to ~~a state~~ AN elective office in the same calendar  
2 year.

3       Sec. 9. (1) "Incidental expense" means an expenditure that  
4 is an ordinary and necessary expense, as described in section 162  
5 of the internal revenue code of 1986, 26 U.S.C. 162, paid or  
6 incurred in carrying out the business of an elective office.  
7 Incidental expense includes, but is not limited to, any of the  
8 following:

9       (a) A disbursement necessary to assist, serve, or communi-  
10 cate with a constituent.

11       (b) A disbursement for equipment, furnishings, or supplies  
12 for the office of the public official.

13       (c) A disbursement for a district office if the district  
14 office is not used for campaign-related activity.

15       (d) A disbursement for the public official or his or her  
16 staff, or both, to attend a conference, meeting, reception, or  
17 other similar event.

18       (e) A disbursement to maintain a publicly owned residence or  
19 a temporary residence at the seat of government.

20       (f) An unreimbursed disbursement for travel, lodging, meals,  
21 or other expenses incurred by the public official, a member of  
22 the public official's immediate family, or a member of the public  
23 official's staff in carrying out the business of the elective  
24 office.

25       (g) A donation to a tax-exempt charitable organization,  
26 including the purchase of tickets to charitable or civic events.

1 (h) A disbursement to a ballot question committee.

2 (i) A purchase of tickets for use by that public official  
3 and members of his or her immediate family and staff to a  
4 fund-raising event sponsored by a candidate committee, indepen-  
5 dent committee, political party committee, or a political commit-  
6 tee that does not exceed \$100.00 per committee in any calendar  
7 year.

8 (j) A disbursement for an educational course or seminar that  
9 maintains or improves skills employed by the public official in  
10 carrying out the business of the elective office.

11 (k) A purchase of advertisements in testimonials, program  
12 books, souvenir books, or other publications if the advertisement  
13 does not support or oppose the nomination or election of a  
14 candidate.

15 (l) A disbursement for consultation, research, polling, and  
16 photographic services not related to a campaign.

17 (m) A fee paid to a fraternal, veteran, or other service  
18 organization.

19 (n) A payment of a tax liability incurred as a result of  
20 authorized transactions by the candidate committee of the public  
21 official.

22 (o) A fee for accounting, professional, or administrative  
23 services for the candidate committee of the public official.

24 (p) A debt or obligation incurred by the candidate committee  
25 of a public official for a disbursement authorized by subdivi-  
26 sions (a) to (o), if the debt or obligation was reported in the

1 candidate committee report filed for the year in which the debt  
2 or obligation arose.

3 (2) "Independent expenditure" means an expenditure by a  
4 person if the expenditure is not made at the direction of, or  
5 under the control of, another person and if the expenditure is  
6 not a contribution to a committee.

7 (3) "In-kind contribution or expenditure" means a contribu-  
8 tion or expenditure other than money.

9 (4) "LATE CONTRIBUTION" MEANS A CONTRIBUTION OF MORE THAN  
10 \$100.00 RECEIVED AFTER THE CLOSING DATE OF THE LAST CAMPAIGN  
11 STATEMENT REQUIRED TO BE FILED BEFORE AN ELECTION.

12 (5) ~~(4)~~ "Loan" means a transfer of money, property, or  
13 anything of ascertainable monetary value in exchange for an obli-  
14 gation, conditional or not, to repay in whole or part.

15 (6) "LOCAL ELECTIVE OFFICE" MEANS AN ELECTIVE OFFICE AT THE  
16 LOCAL UNIT OF GOVERNMENT LEVEL.

17 (7) "LOCAL UNIT OF GOVERNMENT" MEANS A DISTRICT, AUTHORITY,  
18 COUNTY, CITY, VILLAGE, TOWNSHIP, SCHOOL DISTRICT, INTERMEDIATE  
19 SCHOOL DISTRICT, OR COMMUNITY COLLEGE DISTRICT.

20 Sec. 12. (1) "QUALIFIED CAMPAIGN EXPENDITURE" MEANS AN  
21 EXPENDITURE FOR SERVICES, MATERIALS, FACILITIES, OR OTHER THINGS  
22 OF VALUE BY THE CANDIDATE COMMITTEE TO FURTHER THE CANDIDATE'S  
23 NOMINATION OR ELECTION TO OFFICE DURING THE YEAR IN WHICH THE  
24 PRIMARY OR GENERAL ELECTION IN WHICH THE CANDIDATE SEEKS NOMINA-  
25 TION OR ELECTION IS HELD. QUALIFIED CAMPAIGN EXPENDITURE DOES  
26 NOT INCLUDE ANY OF THE FOLLOWING:

1 (A) AN EXPENDITURE IN VIOLATION OF ANY LAW OF THE UNITED  
2 STATES OR OF THIS STATE.

3 (B) A PAYMENT MADE TO THE CANDIDATE OR A RELATIVE WITHIN THE  
4 THIRD DEGREE OF CONSANGUINITY OF THE CANDIDATE, OR TO A BUSINESS  
5 WITH WHICH THE CANDIDATE OR THE RELATIVE IS ASSOCIATED.

6 (C) A PAYMENT TO THE EXTENT CLEARLY IN EXCESS OF THE FAIR  
7 MARKET VALUE OF SERVICES, MATERIALS, FACILITIES, OR OTHER THINGS  
8 OF VALUE RECEIVED IN EXCHANGE.

9 (D) THAT PORTION OF ANY SALARY OR WAGE TO AN INDIVIDUAL IN  
10 EXCESS OF \$5,000.00 PER MONTH.

11 (E) PAYMENT FROM PETTY CASH.

12 (F) GIFTS, EXCEPT BROCHURES, BUTTONS, SIGNS, AND OTHER  
13 PRINTED CAMPAIGN MATERIAL.

14 (G) PAYMENT TO A DEFENSE FUND.

15 (H) AN EXPENDITURE BY A CANDIDATE COMMITTEE FOR AN INCIDENT-  
16 TAL EXPENSE UNDER SECTION 21A.

17 (2) ~~-(1)-~~ "Qualifying contribution" means a contribution of  
18 money made by a written instrument by an individual to the candi-  
19 date committee of a candidate for the office of governor that is  
20 \$100.00 or less and made after April 1 of the year preceding a  
21 year in which a governor is to be elected. Not more than \$100.00  
22 of an individual's total aggregate contribution may be used as a  
23 qualifying contribution in any calendar year. Qualifying contri-  
24 bution does not include a subscription, loan, advance, deposit of  
25 money, in-kind contribution or expenditure, or anything else of  
26 value except as prescribed in this act. Qualifying contribution  
27 does not include a contribution by an individual who resides

1 outside of this state. For purposes of this subsection, an  
2 individual is considered to reside in this state if he or she is  
3 considered a resident of this state under the Michigan election  
4 law, Act No. 116 of the Public Acts of 1954, being sections 168.1  
5 to 168.992 of the Michigan Compiled Laws.

6 (3) ~~(2)~~ "State elective office" means the office of gover-  
7 nor, lieutenant governor, secretary of state, attorney general,  
8 justice of the supreme court, member of the state board of educa-  
9 tion, regent of the university of Michigan, member of the board  
10 of trustees of Michigan state university, member of the board of  
11 governors of Wayne state university, and member of the state  
12 legislature.

13 Sec. 15. (1) The secretary of state shall do all of the  
14 following:

15 (a) Make available through his or her offices, and furnish  
16 to county clerks, appropriate forms, instructions, and manuals  
17 required by this act.

18 (b) Develop a filing, coding, and cross-indexing system for  
19 the filing of required reports and statements consistent with the  
20 purposes of this act, and supervise the implementation of the  
21 filing systems by the clerks of the counties.

22 (c) Receive all statements and reports required by this act  
23 to be filed with the secretary of state.

24 (d) Prepare forms, instructions, and manuals required under  
25 this act.

26 (e) Promulgate rules and issue declaratory rulings to  
27 implement this act pursuant to the administrative procedures act

1 of 1969, Act No. 306 of the Public Acts of 1969, ~~as amended,~~  
2 being sections 24.201 to 24.328 of the Michigan Compiled Laws.

3 (f) Upon receipt of a written request and the required  
4 filing, waive payment of a late filing fee if the request for the  
5 waiver is based on good cause and accompanied by adequate  
6 documentation. ~~Any~~ ONE OR MORE of the following reasons  
7 ~~shall~~ constitute good cause for a late filing fee waiver:

8 (i) The incapacitating physical illness, hospitalization,  
9 accident involvement, death, or incapacitation for medical rea-  
10 sons of a person required to file, a person whose participation  
11 is essential to the preparation of the statement or report, or a  
12 member of the immediate family of these persons.

13 (ii) Other unique, unintentional factors beyond the filer's  
14 control not stemming from a negligent act or nonaction so that a  
15 reasonably prudent person would excuse the filing on a temporary  
16 basis. These factors include the loss or unavailability of  
17 records due to a fire, flood, theft, or similar reason and diffi-  
18 culties related to the transmission of the filing to the filing  
19 official, such as exceptionally bad weather or strikes involving  
20 transportation systems.

21 (2) A declaratory ruling shall be issued under this section  
22 only if the person requesting the ruling has provided a reason-  
23 ably complete statement of facts necessary for the ruling or if  
24 the secretary of state has permitted the person requesting the  
25 ruling an opportunity to supply supplemental facts necessary for  
26 the ruling. A request for a declaratory ruling that is submitted  
27 to the secretary of state shall be made available for public

1 inspection within 48 hours after its receipt. An interested  
2 person may submit written comments regarding the request to the  
3 secretary of state within 10 business days after the date the  
4 request is made available to the public. Within 45 business days  
5 after receiving a declaratory ruling request, the secretary of  
6 state shall make a proposed response available to the public. An  
7 interested person may submit written comments regarding the pro-  
8 posed response to the secretary of state within 5 business days  
9 after the date the proposal is made available to the public.

10 Except as otherwise provided in this section, the secretary of  
11 state shall issue a declaratory ruling within 60 business days  
12 after a request for a declaratory ruling is received. If the  
13 secretary of state refuses to issue a declaratory ruling, the  
14 secretary of state shall notify the person making the request of  
15 the reasons for the refusal. The secretary of state may issue an  
16 interpretative statement providing an informational response to  
17 the question presented. A declaratory ruling or interpretative  
18 statement issued under this section shall not state a general  
19 rule of law, other than that which is stated in this act, until  
20 the general rule of law is promulgated by the secretary of state  
21 as a rule pursuant to the administrative procedures act of 1969,  
22 Act No. 306 of the Public Acts of 1969, being sections 24.201 to  
23 24.328 of the Michigan Compiled Laws, or pursuant to judicial  
24 order.

25 (3) Under extenuating circumstances, the secretary of state  
26 may issue a notice extending for not more than 30 business days  
27 the period during which the secretary of state shall respond to a

1 request for a declaratory ruling. The secretary of state shall  
2 not issue more than 1 notice of extension for a particular  
3 request. A person requesting a declaratory ruling may waive, in  
4 writing, the time limitations provided by this section.

5 (4) ~~An~~ THE SECRETARY OF STATE SHALL MAKE AVAILABLE TO THE  
6 PUBLIC AN annual summary of the declaratory rulings and interpre-  
7 tative statements issued by the secretary of state. ~~shall be~~  
8 ~~made available to the public.~~

9 (5) A person may file a complaint with the secretary of  
10 state alleging a violation of this act. Upon receipt of a com-  
11 plaint, the secretary of state shall investigate the allegations  
12 pursuant to the rules promulgated under this act. If the secre-  
13 tary of state determines that there may be reason to believe that  
14 a violation of this act has occurred, the secretary of state  
15 shall endeavor to correct the violation or prevent a further vio-  
16 lation by using informal methods such as a conference, concili-  
17 ation, or persuasion, and may enter into a conciliation agreement  
18 with the person involved. Unless violated, a conciliation agree-  
19 ment is a complete bar to any further action with respect to mat-  
20 ters covered in the conciliation agreement. If the secretary of  
21 state is unable to correct or prevent further violation by these  
22 informal methods, the secretary of state may ~~refer the matter to~~  
23 ~~the attorney general for the enforcement of~~ ENFORCE any criminal  
24 penalty provided by this act or commence a hearing pursuant to  
25 subsection (6).

26 (6) The secretary of state may commence a hearing to  
27 determine whether a civil violation of this act has occurred. A

1 hearing shall not be commenced during the period beginning 30  
2 days before an election in which the committee has received or  
3 expended money and ending the day after that election except with  
4 the consent of the person suspected of committing a civil  
5 violation. The hearing shall be conducted ~~in accordance with~~  
6 PURSUANT TO the procedures set forth in chapter 4 of the adminis-  
7 trative procedures act of 1969, Act No. 306 of the Public Acts of  
8 1969, being sections 24.271 to 24.287 of the Michigan Compiled  
9 Laws. If after a hearing the secretary of state determines that  
10 a violation of this act has occurred, the secretary of state may  
11 issue an order requiring the person to pay a civil fine equal to  
12 the amount of the improper contribution or expenditure plus not  
13 more than \$1,000.00 for each violation. A final decision and  
14 order issued by the secretary of state is subject to judicial  
15 review as provided by chapter 6 of the administrative procedures  
16 act of 1969, Act No. 306 of the Public Acts of 1969, being sec-  
17 tions 24.301 to 24.306 of the Michigan Compiled Laws. ~~THE~~  
18 SECRETARY OF STATE SHALL DEPOSIT A civil fine imposed under this  
19 section ~~shall be deposited~~ in the general fund. The secretary  
20 of state may bring an action in circuit court to recover the  
21 amount of a civil fine.

22 (7) When a report or statement is filed pursuant to this  
23 act, the secretary of state shall review the report or statement  
24 and may investigate an apparent violation of this act pursuant to  
25 the rules promulgated pursuant to this act. If the secretary of  
26 state determines that there may be reason to believe a violation  
27 of this act has occurred and the procedures prescribed in

1 subsection (5) have been complied with, the secretary of state  
2 may ~~refer the matter to the attorney general for the enforcement~~  
3 ~~of~~ ENFORCE any criminal penalty provided by this act, or com-  
4 mence a hearing under subsection (6) to determine whether a civil  
5 violation of this act has occurred.

6 (8) Unless otherwise specified in this act, a person who  
7 violates a provision of this act is subject to a civil fine of  
8 not more than \$1,000.00 for each violation. Civil fines are in  
9 addition to, but not limited by, any criminal penalty prescribed  
10 by this act.

11 (9) The secretary of state may waive the filing of a cam-  
12 paign statement required under section 33, 34, or 35 if the clos-  
13 ing date of the particular campaign statement falls on the same  
14 or a later date as the closing date of the next campaign state-  
15 ment filed by the same person, or if the period ~~which~~ THAT  
16 would be otherwise covered by the next campaign statement filed  
17 by the same person is 10 days or less.

18 (10) The clerk of each county shall do all of the  
19 following:

20 (a) Make available through the county clerk's office the  
21 appropriate forms, instructions, and manuals required by this  
22 act.

23 (b) Under the supervision of the secretary of state, imple-  
24 ment the filing, coding, and cross-indexing system prescribed for  
25 the filing of reports and statements required to be filed with  
26 the county clerk's office.

1 (c) Receive all statements and reports required by this act  
2 to be filed with the county clerk's office.

3 (d) Upon written request, waive the payment of a late filing  
4 fee if the request for a waiver is based on good cause as pre-  
5 scribed in subsection ~~-(1)(g)~~ (1)(F).

6 Sec. 16. (1) A filing official shall make a statement or  
7 report required to be filed under this act available for public  
8 inspection and reproduction ~~, commencing~~ DURING REGULAR BUSI-  
9 NESS HOURS OF THE FILING OFFICIAL. THE FILING OFFICIAL SHALL  
10 MAKE A STATEMENT OR REPORT FILED UNDER THIS ACT AVAILABLE as soon  
11 as practicable AFTER RECEIPT, but not later than the third busi-  
12 ness day following the day on which ~~it~~ THE STATEMENT OR REPORT  
13 is received. ~~, during regular business hours of the filing~~  
14 ~~official.~~

15 (2) A FILING OFFICIAL SHALL PROVIDE A copy of a statement OR  
16 REPORT or part of a statement ~~shall be provided by a filing~~  
17 ~~official~~ OR REPORT at a reasonable charge.

18 (3) A PERSON SHALL NOT USE A statement ~~open~~ OR REPORT  
19 AVAILABLE to the public under this act ~~shall not be used~~ for  
20 any commercial purpose.

21 (4) ~~A~~ THE FILING OFFICIAL SHALL PRESERVE A statement of  
22 organization filed under this act ~~shall be preserved by the~~  
23 ~~filing official~~ for 5 years from the official date of the  
24 committee's dissolution. ~~A~~ THE FILING OFFICIAL SHALL PRESERVE  
25 A statement or report filed under this act by a candidate for an  
26 office with a term exceeding 4 years ~~shall be preserved by the~~  
27 ~~filing official~~ for 1 year beyond that candidate's term of

1 office. ~~Any~~ THE FILING OFFICIAL SHALL PRESERVE ANY other  
2 statement or report filed under this act ~~shall be preserved by~~  
3 ~~the filing official~~ for 5 years from the date the filing  
4 occurred. Statements and reports filed under this act may be  
5 reproduced pursuant to the records media act, ACT NO. 116 OF THE  
6 PUBLIC ACTS OF 1992, BEING SECTIONS 24.401 TO 24.403 OF THE  
7 MICHIGAN COMPILED LAWS. After the required preservation period,  
8 the statements and reports, or the reproductions of the state-  
9 ments and reports, shall be destroyed.

10 (5) A ~~charge~~ FILING OFFICIAL shall not ~~be collected by a~~  
11 ~~filing official for the filing of a required statement or report~~  
12 ~~or~~ COLLECT A FEE for a form upon which ~~the~~ A REQUIRED state-  
13 ment or report is to be prepared. ~~except~~ HOWEVER, A FILING  
14 OFFICIAL SHALL COLLECT THE FILING FEE PRESCRIBED IN SECTION 18  
15 FOR THE FILING OF CERTAIN REQUIRED STATEMENTS AND REPORTS AND a  
16 late filing fee AS required by this act.

17 (6) A filing official shall determine whether a statement or  
18 report filed under this act complies, on its face, with the  
19 requirements of this act and the rules promulgated under this  
20 act. The filing official shall determine whether a statement or  
21 report that is required to be filed under this act is in fact  
22 filed. Within 4 business days after the deadline for filing a  
23 statement or report under this act, the filing official shall  
24 give notice to the filer by registered mail of an error or omis-  
25 sion in the statement or report and give notice to a person the  
26 filing official has reason to believe is a person required to and  
27 who failed to file a statement or report. A failure to give

1 notice by the filing official under this subsection is not a  
2 defense to a criminal action against the person required to  
3 file.

4 (7) Within 9 business days after the report or statement is  
5 required to be filed, the filer shall make any corrections in the  
6 statement or report ~~filed~~ AND FILE THE CORRECTIONS with the  
7 appropriate filing official. If the report or statement was not  
8 filed, ~~then it shall be late filed~~ THE PERSON SHALL FILE THE  
9 REPORT OR STATEMENT WITH THE APPROPRIATE FILING OFFICIAL within 9  
10 business days after the time it was required to be filed, ~~and~~  
11 ~~shall be~~ WHICH REPORT OR STATEMENT IS CONSIDERED LATE FILED AND  
12 IS subject to late filing fees.

13 (8) After 9 business days and before 12 business days have  
14 expired after the deadline for filing the statement or report,  
15 the filing official shall report errors or omissions that were  
16 not corrected and failures to file to the ~~attorney general~~  
17 SECRETARY OF STATE.

18 (9) A PERSON SHALL FILE A statement or report required to be  
19 filed under this act ~~shall be filed~~ not later than 5 p.m. of  
20 the day in which it is required to be filed. A preelection  
21 statement or report due on July 25 or October 25 under section 33  
22 that is postmarked by registered or certified mail, or sent by  
23 express mail or other overnight delivery service, at least 2 days  
24 before the deadline for filing is filed within the prescribed  
25 time regardless of when it is actually delivered. Any other  
26 statement or report required to be filed under this act that is  
27 postmarked by registered or certified mail or sent by express

1 mail or other overnight delivery service on or before the  
2 deadline for filing is filed within the prescribed time regard-  
3 less of when it is actually delivered.

4 SEC. 18. (1) AN INDEPENDENT COMMITTEE AND A POLITICAL COM-  
5 MITTEE SHALL PAY TO THE FILING OFFICIAL WITH THE FIRST REQUIRED  
6 STATEMENT OR REPORT IN EVERY CALENDAR YEAR A FILING FEE BASED  
7 UPON THE SUM OF THE TOTAL AMOUNT OF CONTRIBUTIONS TO AND INDEPEN-  
8 DENT EXPENDITURES MADE ON BEHALF OF ALL CANDIDATES IN THE IMMEDI-  
9 ATELY PRECEDING 2-YEAR ELECTION CYCLE. THE FILING FEE SHALL BE 1  
10 OF THE FOLLOWING:

11	<u>SUM OF CONTRIBUTIONS AND INDEPENDENT EXPENDITURES</u>	<u>FILING FEE</u>
12	LESS THAN \$10,000.00.....	\$100.00
13	AT LEAST \$10,000.00 BUT LESS THAN \$20,000.00.....	\$200.00
14	AT LEAST \$20,000.00 BUT LESS THAN \$30,000.00.....	\$300.00
15	AT LEAST \$30,000.00 BUT LESS THAN \$40,000.00.....	\$400.00
16	\$40,000.00 OR MORE.....	\$500.00

17 (2) A CANDIDATE COMMITTEE SHALL PAY TO THE FILING OFFICIAL  
18 WITH THE STATEMENT OF ORGANIZATION A FILING FEE OF \$100.00.

19 (3) A COMMITTEE THAT FILES A WRITTEN STATEMENT UNDER  
20 SECTION 24 INDICATING THAT THE COMMITTEE DOES NOT EXPECT IN A  
21 CALENDAR YEAR TO RECEIVE OR EXPEND AN AMOUNT IN EXCESS OF  
22 \$1,000.00 IS NOT REQUIRED TO PAY THE FEE IN SUBSECTION (1) OR  
23 (2). HOWEVER, A COMMITTEE THAT NOTIFIES THE APPROPRIATE OFFICIAL  
24 THAT THE COMMITTEE HAS RECEIVED OR EXPENDED AN AMOUNT IN EXCESS  
25 OF \$1,000.00 SHALL PAY THE FILING FEE REQUIRED IN SUBSECTION (1)  
26 OR (2).

1       (4) THE FILING OFFICIAL, ON OR BEFORE THE FIFTH DAY OF THE  
2 MONTH FOLLOWING THE RECEIPT OF FEES UNDER SUBSECTIONS (1) AND  
3 (2), SHALL PAY TO THE COUNTY TREASURER ALL OF THOSE FEES RECEIVED  
4 DURING THE PRECEDING MONTH. THE COUNTY TREASURER, WITHIN 5 DAYS  
5 AFTER RECEIPT OF THE FEES, SHALL TRANSMIT THE FEES TO THE STATE  
6 TREASURER FOR DEPOSIT IN THE SECRETARY OF STATE COMPUTERIZATION  
7 FUND CREATED BY SECTION 19.

8       SEC. 19. (1) THE SECRETARY OF STATE COMPUTERIZATION FUND IS  
9 CREATED IN THE STATE TREASURY. THE PURPOSE OF THE SECRETARY OF  
10 STATE COMPUTERIZATION FUND IS TO PROVIDE FOR THE COMPUTERIZATION  
11 OF ALL CAMPAIGN FINANCE RECORDS FILED WITH THE SECRETARY OF STATE  
12 UNDER THIS ACT.

13       (2) ON OR BEFORE OCTOBER 1, 1995, THE SECRETARY OF STATE  
14 SHALL SUBMIT TO THE LEGISLATURE A COMPREHENSIVE COMPUTERIZATION  
15 PLAN THAT INCLUDES, BUT IS NOT LIMITED TO, THE FOLLOWING:

16       (A) THE STATUS OF COMPUTERIZATION OF CAMPAIGN FINANCE  
17 RECORDS.

18       (B) AN ANALYSIS OF THE NEEDS FOR COMPUTERIZATION OF CAMPAIGN  
19 FINANCE RECORDS.

20       (C) STANDARDS FOR COMPUTERIZATION OF CAMPAIGN FINANCE  
21 RECORDS.

22       (D) A PLAN FOR THE DISTRIBUTION OF REVENUE FROM THE SECRE-  
23 TARY OF STATE COMPUTERIZATION FUND THAT PROVIDES FOR DIRECT DIS-  
24 BURSEMENTS FROM THE SECRETARY OF STATE COMPUTERIZATION FUND BY  
25 THE SECRETARY OF STATE. THE SECRETARY OF STATE MAY APPROVE DIS-  
26 BURSEMENTS THAT INCLUDE PAYMENT FOR SERVICES PROVIDED BY

1 EMPLOYEES OF THIS STATE OR PRIVATE VENDORS, OR BY A COMBINATION  
2 OF BOTH.

3 (3) THE SECRETARY OF STATE SHALL SUBMIT TO THE LEGISLATURE  
4 AN ANNUAL UPDATE TO THE COMPREHENSIVE COMPUTERIZATION PLAN.

5 (4) THE STATE TREASURER SHALL CREDIT THE SECRETARY OF STATE  
6 COMPUTERIZATION FUND WITH DEPOSITS OF PROCEEDS FROM THE COLLEC-  
7 TION OF REVENUE FROM THE FILING FEES PROVIDED IN SECTION 18,  
8 APPROPRIATIONS MADE TO THE FUND, AND ALL INCOME FROM INVESTMENT.  
9 THE STATE TREASURER MAY INVEST MONEY CONTAINED IN THE SECRETARY  
10 OF STATE COMPUTERIZATION FUND IN ANY MANNER AUTHORIZED BY LAW FOR  
11 THE INVESTMENT OF STATE MONEY. HOWEVER, AN INVESTMENT SHALL NOT  
12 INTERFERE WITH ANY APPORTIONMENT, ALLOCATION, OR PAYMENT OF MONEY  
13 AS REQUIRED BY THIS SECTION. THE STATE TREASURER SHALL CREDIT TO  
14 THE FUND ALL INCOME EARNED AS A RESULT OF AN INVESTMENT OF FUND  
15 MONEY.

16 (5) THE STATE TREASURER, AT THE DIRECTION OF THE SECRETARY  
17 OF STATE, SHALL DISTRIBUTE MONEY FROM THE SECRETARY OF STATE COM-  
18 PUTERIZATION FUND AT LEAST ANNUALLY AND MORE OFTEN AS THE SECRE-  
19 TARY OF STATE CONSIDERS NECESSARY. MONEY REMAINING IN THE FUND  
20 AT THE CLOSE OF EACH FISCAL YEAR SHALL REMAIN IN THE FUND AND  
21 SHALL NOT REVERT TO THE GENERAL FUND.

22 SEC. 21B. A CANDIDATE COMMITTEE OF A CANDIDATE FOR ELECTIVE  
23 OFFICE SHALL NOT SPEND ANY MONEY RECEIVED BY THE CANDIDATE COM-  
24 MITTEE FROM AN INDEPENDENT COMMITTEE OR POLITICAL COMMITTEE UNTIL  
25 AN EQUAL OR GREATER AMOUNT OF MONEY IS RECEIVED BY THE CANDIDATE  
26 COMMITTEE FROM INDIVIDUAL CONTRIBUTORS.

1       Sec. 22. A committee treasurer or other individual  
2 designated on the statement of organization as responsible for  
3 the committee's record keeping, report preparation, or report  
4 filing shall keep detailed accounts, records, bills, and receipts  
5 as required to substantiate the information contained in a state-  
6 ment or report filed pursuant to this act or rules promulgated  
7 under this act. The treasurer OR OTHER INDIVIDUAL shall record  
8 the name and address of a person from whom a contribution is  
9 received. ~~except for contributions of \$20.00 or less received~~  
10 ~~pursuant to section 41(3).~~ The records of a committee shall be  
11 preserved for 5 years and shall be made available for inspection  
12 as authorized by the secretary of state. A treasurer or other  
13 individual designated as responsible for the committee's record  
14 keeping, report preparation, or report filing who knowingly vio-  
15 lates this section is subject to a civil fine of not more than  
16 \$1,000.00.

17       Sec. 26. (1) A campaign statement of a committee, other  
18 than a political party committee, required by this act shall con-  
19 tain all of the following information:

20       (a) The filing committee's name, address, and telephone  
21 number, and the full name, residential and business addresses,  
22 and telephone numbers of the committee treasurer or other indi-  
23 vidual designated as responsible for the committee's record keep-  
24 ing, report preparation, or report filing.

25       (b) Under the heading "receipts", the total amount of con-  
26 tributions received during the period covered by the campaign  
27 statement; under the heading "expenditures", the total amount of

1 expenditures made during the period covered by the campaign  
2 statement; and the cumulative amount of those totals.  
3 Forgiveness of a loan shall not be included in the totals.  
4 Payment of a loan by a third party shall be recorded and reported  
5 as an in-kind contribution by the third party. In-kind contribu-  
6 tions or expenditures shall be listed at fair market value and  
7 shall be reported as both contributions and expenditures. A con-  
8 tribution or expenditure that is by other than completed and  
9 accepted payment, gift, or other transfer, that is clearly not  
10 legally enforceable, and that is expressly withdrawn or rejected  
11 and returned before a campaign statement closing date need not be  
12 included in the campaign statement and if included may, in a  
13 later or amended statement, be shown as a deduction, but the com-  
14 mittee shall keep adequate records of each instance.

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

17 ~~(d) The total amount of contributions received during the~~  
18 ~~period covered by the campaign statement from persons who con-~~  
19 ~~tributed more than \$20.00.~~

20 ~~(e) The total amount of contributions received during the~~  
21 ~~period covered by the campaign statement from persons who con-~~  
22 ~~tributed \$20.00 or less.~~

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

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

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

6 (ii) The total amount of all contributions. ~~of more than~~  
7 ~~\$20.00.~~

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

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

11 (iv) ~~(v)~~ The expenditures incident to the event.

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

20 (F) ~~(i)~~ The cumulative amount contributed and the name and  
21 address of each individual, except those individuals reported  
22 under subdivision ~~(h)~~ (E), who contributed ~~a total of more~~  
23 ~~than \$20.00~~ TO THE COMMITTEE. The occupation, employer, and  
24 principal place of business ~~—~~ shall be stated for each individ-  
25 ual who contributed more than \$100.00.

26 (G) ~~(j)~~ The name and street address of each person, other  
27 than an individual, from whom contributions are received during

1 the period covered by the campaign statement, together with an  
2 itemization of the amounts contributed, the date on which each  
3 contribution was received, and the cumulative amount contributed  
4 by that person.

5 (H) ~~(\*)~~ The name, address, and amount given by an individ-  
6 ual who contributed ~~more than \$20.00~~ to the total amount con-  
7 tributed by a person who is other than a committee or an  
8 individual. The occupation, employer, and principal place of  
9 business shall be stated if the individual contributed more than  
10 \$100.00 of the total amount contributed by a person who is other  
11 than a committee or an individual.

12 (I) ~~(\*)~~ The cumulative total of expenditures of \$50.00 or  
13 less made during the period covered by the campaign statement  
14 except for expenditures made to or on behalf of another commit-  
15 tee, candidate, or ballot question.

16 (J) ~~(\*)~~ The full name and street address of each person to  
17 whom expenditures totaling more than \$50.00 were made, together  
18 with the amount of each separate expenditure to each person  
19 during the period covered by the campaign statement; the purpose  
20 of the expenditure; the full name and street address of the  
21 person providing the consideration for which any expenditure was  
22 made if different from the payee; the itemization regardless of  
23 amount of each expenditure made to or on behalf of another com-  
24 mittee, candidate, or ballot question; and the cumulative amount  
25 of expenditures for or against that candidate or ballot question  
26 for an election cycle. An expenditure made in support of more  
27 than 1 candidate or ballot question, or both, shall be

1 apportioned reasonably among the candidates or ballot questions,  
2 or both.

3 (K) FOR A CANDIDATE COMMITTEE OF A CANDIDATE, THE TOTAL  
4 AMOUNT OF CONTRIBUTIONS RECEIVED FROM INDEPENDENT COMMITTEES AND  
5 POLITICAL COMMITTEES DURING THE PERIOD COVERED BY THE CAMPAIGN  
6 STATEMENT AND THE TOTAL AMOUNT OF CONTRIBUTIONS RECEIVED FROM  
7 INDIVIDUAL CONTRIBUTORS DURING THE PERIOD COVERED BY THE CAMPAIGN  
8 STATEMENT.

9 (L) FOR AN INDEPENDENT OR POLITICAL COMMITTEE, THE TOTAL  
10 AMOUNT OF INDEPENDENT EXPENDITURES MADE DURING THE PERIOD COVERED  
11 BY THE CAMPAIGN STATEMENT AND AN ITEMIZED LIST OF EACH INDEPEN-  
12 DENT EXPENDITURE MADE DURING THE PERIOD COVERED BY THE CAMPAIGN  
13 STATEMENT CONTAINING ALL OF THE FOLLOWING INFORMATION:

14 (i) THE DATE OF THE INDEPENDENT EXPENDITURE.

15 (ii) THE PAYEE OF THE INDEPENDENT EXPENDITURE.

16 (iii) THE AMOUNT OF THE INDEPENDENT EXPENDITURE.

17 (iv) IF THE INDEPENDENT EXPENDITURE WAS ON BEHALF OF A CAN-  
18 DIDATE, THE NAME OF THE CANDIDATE AND THE DISTRICT AND OFFICE FOR  
19 WHICH THAT INDEPENDENT EXPENDITURE WAS MADE.

20 (v) IF THE INDEPENDENT EXPENDITURE WAS ON BEHALF OF A BALLOT  
21 QUESTION, THE BALLOT QUESTION AND THE PURPOSE FOR WHICH THE INDE-  
22 PENDENT EXPENDITURE WAS MADE.

23 (vi) IF THE INDEPENDENT EXPENDITURE WAS NOT ON BEHALF OF A  
24 CANDIDATE OR BALLOT QUESTION COMMITTEE, THE PURPOSE OF THE INDE-  
25 PENDENT EXPENDITURE.

26 (2) A candidate committee or ballot question committee shall  
27 report all cumulative amounts required by this section on a per

1 election cycle basis. Except for subsection ~~(+)(m)~~ (1)(J), an  
2 independent committee or political committee shall report all  
3 cumulative amounts required by this section on a calendar year  
4 basis.

5       Sec. 28. (1) Interest received by a committee on an account  
6 consisting of funds belonging to the committee shall not be con-  
7 sidered a contribution to the committee but the committee shall  
8 report its receipt on a campaign statement as interest. A com-  
9 mittee shall report interest paid by the committee on a campaign  
10 statement as an expenditure.

11       (2) A committee shall report a loan with an outstanding bal-  
12 ance made or received in a separate schedule attached to the cam-  
13 paign statement providing the date and amount of the loan, the  
14 date and amount of each payment, the amount of cumulative pay-  
15 ments, the amount of the outstanding balance, and whether the  
16 loan payments were made by money, services, property, or other  
17 means. The committee shall provide the name and address of the  
18 lender and each person who is liable directly, indirectly, or  
19 contingently on each loan. ~~of more than \$20.00.~~ The committee  
20 shall provide the occupation and employer, if any, of the lender  
21 and each person if the loan is for more than \$100.00. If a loan  
22 is paid off within a reporting period, this activity need not be  
23 reported on a separate schedule to the campaign statement.  
24 However, if a loan is forgiven, the committee shall detail that  
25 fact on a separate schedule to the campaign statement.

26       (3) Accompanying a campaign statement reporting the receipt  
27 of a contribution ~~of more than \$20.00,~~ from a person whose

1 treasurer does not reside in, whose principal office is not  
2 located in, or whose funds are not kept in this state ~~—~~ shall  
3 be a statement certified as true and correct by an officer of the  
4 contributing person setting forth the full name, address, along  
5 with the amount contributed, of each person who contributed ~~more~~  
6 ~~than \$20.00~~ TO THE TOTAL AMOUNT of the contribution. The occu-  
7 pation, employer, and principal place of business shall be stated  
8 for each person who contributed more than \$100.00. This subsec-  
9 tion does not apply if the contributing person is registered as a  
10 committee under section 24.

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

13       (a) The full name of each person from whom contributions  
14 ~~totaling more than \$20.00 in value~~ are received in a calendar  
15 year, the amount, and the date or dates contributed; and, if the  
16 person is a committee, the name and address of the committee and  
17 the full name of the committee treasurer, together with the  
18 amount of the contribution and the date received. The occupa-  
19 tion, employer, and principal place of business, if any, shall be  
20 listed for each person from whom contributions totaling more than  
21 \$100.00 are received in a calendar year.

22       (b) Accompanying a campaign statement reporting the receipt  
23 of a contribution ~~of more than \$20.00~~ from a committee or  
24 person whose treasurer does not reside in, whose principal office  
25 is not located in, or whose funds are not kept in this state, and  
26 whose committee has not filed a statement of organization as

1 required in section 24, shall be a statement setting forth the  
2 full name and address of the treasurer of the committee.

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

11 (d) The total expenditure by the committee for each candi-  
12 date for elective office or ballot question in whose behalf an  
13 independent expenditure was made or a contribution was given for  
14 the election cycle.

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

18 (2) The committee shall identify an expenditure listed under  
19 subsection (1)(c) as an independent expenditure or as a contribu-  
20 tion to a candidate committee or a ballot question committee.

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

26 (4) The committee shall designate for an independent  
27 expenditure listed under subsection (1)(c) either the name of the

1 candidate for whose benefit the expenditure was made and the  
2 office sought by the candidate, or a brief description of the  
3 ballot question for which the expenditure was made; the amount,  
4 date, and purpose of the expenditure; and the full name and  
5 address of the person to whom the expenditure was made.

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

10 Sec. 32. ~~(1)~~ A COMMITTEE SHALL REPORT A late contribution  
11 ~~shall be reported~~ by filing with the filing ~~officer~~ OFFICIAL  
12 within 48 hours after ~~its~~ receipt OF THE LATE CONTRIBUTION the  
13 full name, street address, occupation, employer, and principal  
14 place of business of the contributor. ~~Filing of~~ THE COMMITTEE  
15 MAY FILE a report of late contributions ~~may be~~ by any written  
16 means of communication and need not contain an original  
17 signature. ~~A~~ THE COMMITTEE SHALL REPORT A late contribution  
18 ~~shall be reported~~ on subsequent campaign statements without  
19 regard to reports filed pursuant to this section. If a campaign  
20 statement has not been filed, a COMMITTEE MAY REPORT A late  
21 contribution, ~~may be reported,~~ if practicable, in the campaign  
22 statement and need not ~~, therefore, be reported~~ REPORT THE LATE  
23 CONTRIBUTION in a subsequent campaign statement.

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

1       Sec. 33. (1) A committee, other than an independent  
2 committee or a political committee required to file with the sec-  
3 retary of state, supporting or opposing a candidate shall file  
4 campaign statements as required by this act according to the fol-  
5 lowing schedule:

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

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

21       (2) For the purposes of subsection (1), THE FOLLOWING  
22 APPLY:

23       (a) A candidate committee shall file a preelection campaign  
24 statement and a postelection campaign statement for each election  
25 in which the candidate seeks nomination or election, except if an  
26 individual becomes a candidate after the closing date for the

1 preelection campaign statement only the postelection campaign  
2 statement is required for that election.

3 (b) A committee other than a candidate committee shall file  
4 a campaign statement for each period during which expenditures  
5 are made for the purpose of influencing the nomination or elec-  
6 tion of a candidate or for the qualification, passage, or defeat  
7 of a ballot question.

8 (3) An independent committee or a political committee  
9 required to file with the secretary of state shall file campaign  
10 statements as required by this act according to the following  
11 schedule:

12 (a) In an odd numbered year:

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

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

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

18 (b) In an even numbered year:

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

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

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

24 (4) Notwithstanding subsection (3) or section 51, if an  
25 independent expenditure is made within 45 days before a special  
26 election by an independent committee or a political committee  
27 required to file a campaign statement with the secretary of

1 state, THE COMMITTEE SHALL FILE a report of the INDEPENDENT  
2 expenditure ~~shall be filed by the committee~~ with the secretary  
3 of state within 48 hours after the expenditure. The report shall  
4 be made on a form provided by the secretary of state and shall  
5 include the date of the independent expenditure, the amount of  
6 the expenditure, a brief description of the nature of the expen-  
7 diture, and the name and address of the person to whom the expen-  
8 diture was paid. The brief description of the INDEPENDENT expen-  
9 diture shall include either the name of the candidate and the  
10 office sought by the candidate or the name of the ballot question  
11 and shall state whether the expenditure supports or opposes the  
12 candidate or ballot question. This subsection does not apply if  
13 the committee is required to report the independent expenditure  
14 in a campaign statement that is required to be filed before the  
15 date of the election for which the expenditure was made.

16 (5) A candidate committee or a committee other than a candi-  
17 date committee ~~which~~ THAT files a written statement under sec-  
18 tion 24(5) or (6) need not file a campaign statement under sub-  
19 section (1) or (3) unless it received or expended an amount in  
20 excess of \$1,000.00. If the committee receives or expends an  
21 amount in excess of \$1,000.00 during a period covered by a  
22 filing, the committee is then subject to the campaign filing  
23 requirements under this act.

24 (6) A committee, candidate, treasurer, or other individual  
25 designated as responsible for the committee's record keeping,  
26 report preparation, or report filing who fails to file a  
27 statement as required by this section shall pay a late filing fee

1 of ~~\$25.00~~ \$250.00 for each business day the statement remains  
2 unfiled. ~~The late filing fee shall not exceed \$500.00.~~ If a  
3 candidate, treasurer, or other individual designated as responsi-  
4 ble for the committee's record keeping, report preparation, or  
5 report filing fails to file 2 statements required by this section  
6 or section 35 and both of the statements remain unfiled for more  
7 than 30 days, that candidate, treasurer, or other designated  
8 individual is guilty of a misdemeanor, punishable by a fine of  
9 not more than \$1,000.00, or imprisonment for not more than 90  
10 days, or both.

11 (7) If a candidate subject to this section is found guilty,  
12 the circuit court for that county, on application by the  
13 ~~attorney general~~ SECRETARY OF STATE or the prosecuting attorney  
14 of that county, may prohibit that candidate from assuming the  
15 duties of a public office or from receiving compensation from  
16 public funds, or both.

17 (8) If a treasurer or other individual designated as respon-  
18 sible for a committee's record keeping, report preparation, or  
19 report filing knowingly files an incomplete or inaccurate state-  
20 ment or report required by this section, that treasurer or other  
21 designated individual is subject to a civil fine of not more than  
22 \$1,000.00.

23 Sec. 36. (1) A ~~copy of the campaign statement of~~ candi-  
24 date ~~committees~~ COMMITTEE for a state elective office or a  
25 judicial office shall ~~be filed~~ FILE A COPY OF THE CAMPAIGN  
26 STATEMENT REQUIRED UNDER THIS ACT with the secretary of state.  
27 ~~who~~ THE SECRETARY OF STATE shall reproduce the copy and

1 transmit the reproduction to the clerk of the county of residence  
 2 of the candidate. ~~A copy of the campaign statement of candidate~~  
 3 ~~committees of candidates for all other offices shall be filed~~  
 4 ~~with the clerk of the county of residence of the candidate.~~

5 (2) A ~~copy of the campaign statement of a~~ ballot question  
 6 committee supporting or opposing a statewide ballot question  
 7 shall ~~be filed~~ FILE A COPY OF THE CAMPAIGN STATEMENT REQUIRED  
 8 UNDER THIS ACT with the secretary of state and with the clerk of  
 9 the most populous county in the state. A ballot question commit-  
 10 tee supporting or opposing a ballot question to be voted upon in  
 11 more than 1 county, but not statewide, shall file A COPY OF THE  
 12 CAMPAIGN STATEMENT REQUIRED UNDER THIS ACT with the clerk of the  
 13 county in which the greatest number of registered voters eligible  
 14 to vote on the ballot question reside. A ballot question commit-  
 15 tee supporting or opposing a ballot question to be voted upon  
 16 within a single county shall file a COPY OF THE CAMPAIGN state-  
 17 ment REQUIRED UNDER THIS ACT only with the clerk of that county.

18 (3) A ~~copy of the campaign statement of a~~ political party  
 19 committee shall ~~be filed~~ FILE A COPY OF THE CAMPAIGN STATEMENT  
 20 REQUIRED UNDER THIS ACT with the secretary of state. The secre-  
 21 tary of state shall reproduce a copy of the campaign statement of  
 22 a political party committee that is a county committee and file  
 23 the copy with the clerk of the county where the county committee  
 24 operates.

25 (4) A ~~copy of a campaign statement of a~~ committee support-  
 26 ing or opposing a candidate for ~~the~~ LOCAL ELECTIVE office, ~~of~~  
 27 ~~school board, where~~ IF the office is to be voted on in more than

1 1 county but not statewide, shall ~~be filed~~ FILE A SUFFICIENT  
2 NUMBER OF COPIES OF THE CAMPAIGN STATEMENT REQUIRED UNDER THIS  
3 ACT with the ~~clerk of the county in which the greatest number of~~  
4 ~~registered voters eligible to vote on the office reside~~  
5 SECRETARY OF STATE. THE SECRETARY OF STATE SHALL TRANSMIT 1 COPY  
6 OF THE CAMPAIGN STATEMENT TO THE COUNTY CLERK OF EACH COUNTY IN  
7 WHICH THE OFFICE IS TO BE VOTED ON AND 1 COPY OF THE CAMPAIGN  
8 STATEMENT TO EACH LOCAL UNIT OF GOVERNMENT IN WHICH THE OFFICE IS  
9 TO BE VOTED ON. A COMMITTEE SUPPORTING OR OPPOSING A CANDIDATE  
10 FOR LOCAL ELECTIVE OFFICE, IF THE OFFICE IS TO BE VOTED ON IN  
11 ONLY 1 COUNTY, SHALL FILE A SUFFICIENT NUMBER OF COPIES OF THE  
12 CAMPAIGN STATEMENT REQUIRED UNDER THIS ACT WITH THE CLERK OF THAT  
13 COUNTY. THE COUNTY CLERK SHALL TRANSMIT 1 COPY OF THE CAMPAIGN  
14 STATEMENT TO EACH LOCAL UNIT OF GOVERNMENT IN WHICH THE OFFICE IS  
15 TO BE VOTED ON.

16 (5) A ~~copy of the campaign statement of any other~~ commit-  
17 tee not covered under subsection (1), (2), (3), or (4) shall ~~be~~  
18 ~~filed~~ FILE A COPY OF THE CAMPAIGN STATEMENT REQUIRED UNDER THIS  
19 ACT with the secretary of state, except that a committee report-  
20 ing contributions or expenditures for a candidate within only 1  
21 county shall file a statement only with the clerk of that  
22 county.

23 (6) A LOCAL UNIT OF GOVERNMENT THAT RECEIVES COPIES OF CAM-  
24 PAIGN STATEMENTS UNDER THIS SECTION SHALL MAKE THE STATEMENTS  
25 AVAILABLE FOR PUBLIC INSPECTION AND REPRODUCTION DURING REGULAR  
26 BUSINESS HOURS OF THE LOCAL UNIT OF GOVERNMENT. THE LOCAL UNIT  
27 OF GOVERNMENT SHALL MAKE THE STATEMENTS AVAILABLE AS SOON AS

1 PRACTICABLE AFTER RECEIPT, BUT NOT LATER THAN THE THIRD BUSINESS  
2 DAY FOLLOWING THE DAY ON WHICH THEY ARE RECEIVED.

3 (7) A CANDIDATE WHO FAILS TO FILE OR WHOSE COMMITTEE FAILS  
4 TO FILE A SUFFICIENT NUMBER OF COPIES OF A CAMPAIGN STATEMENT  
5 UNDER SUBSECTION (4) IS SUBJECT TO A CIVIL FINE OF NOT MORE THAN  
6 \$100.00 FOR EACH VIOLATION.

7 SEC. 39. (1) AN INDEPENDENT OR POLITICAL COMMITTEE SHALL  
8 NOT ACCEPT A CONTRIBUTION FROM AN INDIVIDUAL ON AN AUTOMATIC OR  
9 PASSIVE BASIS UNLESS THAT INDIVIDUAL FIRST ACTIVELY INDICATES, IN  
10 WRITING, THE DESIRE TO MAKE THAT CONTRIBUTION. THE COMMITTEE  
11 SHALL NOT ACCEPT CONTRIBUTIONS BASED UPON AN ACTIVE INDICATION BY  
12 THAT INDIVIDUAL FOR MORE THAN 12 MONTHS AFTER THE ACTIVE INDICA-  
13 TION IS MADE.

14 (2) AN INDEPENDENT COMMITTEE, POLITICAL COMMITTEE, AND  
15 POLITICAL PARTY COMMITTEE SHALL ANNUALLY PROVIDE A NOTICE TO ALL  
16 CONTRIBUTORS TO THE COMMITTEE. THE COMMITTEE SHALL FILE A COPY  
17 OF THE NOTICE WITH THE SECRETARY OF STATE. THE NOTICE SHALL CON-  
18 TAIN ALL OF THE FOLLOWING:

19 (A) THE NAME OF THE COMMITTEE.

20 (B) AN ITEMIZED AND CUMULATIVE LIST OF ALL CONTRIBUTIONS  
21 RECEIVED BY THE COMMITTEE FOR THE 12-MONTH PERIOD COVERED BY THE  
22 NOTICE.

23 (C) AN ITEMIZED AND CUMULATIVE LIST OF ALL DISBURSEMENTS  
24 MADE BY THE COMMITTEE INCLUDING, BUT NOT LIMITED TO, THE  
25 FOLLOWING:

26 (i) THE DATE OF EACH DISBURSEMENT.

- 1       (ii) THE AMOUNT OF EACH DISBURSEMENT.
- 2       (iii) IF THE DISBURSEMENT WAS TO A CANDIDATE COMMITTEE, THE  
3 NAME AND POLITICAL PARTY AFFILIATION OF THE CANDIDATE.
- 4       (iv) IF THE DISBURSEMENT WAS AN INDEPENDENT EXPENDITURE, THE  
5 DISTRICT AND OFFICE OR BALLOT QUESTION FOR WHICH THE INDEPENDENT  
6 EXPENDITURE WAS MADE.
- 7       (v) THE NATURE OF EACH ADMINISTRATIVE EXPENDITURE.
- 8       (vi) THE NATURE AND EXPLANATION OF ALL OTHER DISBURSEMENTS  
9 NOT PREVIOUSLY LISTED IN THIS SUBDIVISION.
- 10      (D) ANY OTHER INFORMATION THE SECRETARY OF STATE CONSIDERS  
11 NECESSARY.

12      Sec. 41. (1) A person shall not make or accept a single  
13 contribution of more than \$20.00 in cash or make or accept a  
14 single expenditure of more than \$50.00 in cash. Contributions of  
15 more than \$20.00 and expenditures of more than \$50.00, other than  
16 an in-kind contribution or expenditure, shall be made by written  
17 instrument containing the names of the payor and the payee.

18      (2) A person shall not accept or expend an anonymous  
19 contribution. An anonymous contribution received by a person  
20 shall not be deposited but shall be given to a tax exempt chari-  
21 table organization. The charitable organization receiving the  
22 contribution shall provide the person with a receipt. The  
23 receipt shall be returned by an appropriate committee pursuant to  
24 section 22.

25      ~~(3) A contribution received as the result of a fund raising~~  
26 ~~event or casual services or from the sale of political~~  
27 ~~merchandise that is \$20.00 or less in the aggregate from a person~~

1 ~~in any calendar year is not considered an anonymous~~  
2 ~~contribution. A contribution received from membership fees,~~  
3 ~~dues, or subscriptions for political purposes to an independent~~  
4 ~~committee or a political party committee that is \$20.00 or less~~  
5 ~~in the aggregate from a person in any calendar year is not con-~~  
6 ~~sidered an anonymous contribution.~~

7 ~~(4) A person making a contribution pursuant to subsection~~  
8 ~~(3) that is more than \$20.00 in any calendar year when added to~~  
9 ~~all other contributions made to that committee by that person~~  
10 ~~shall furnish the recipient with the donor's name, address, and~~  
11 ~~the total amount contributed.~~

12 (3) ~~(5)~~ A contribution shall not be made, directly or  
13 indirectly, by any person in a name other than the name by which  
14 that person is identified for legal purposes.

15 (4) ~~(6)~~ A person who knowingly violates this section is  
16 guilty of a misdemeanor punishable, if the person is an individu-  
17 al, by a fine of not more than \$1,000.00 or imprisonment for not  
18 more than 90 days, or both, or, if the person is other than an  
19 individual, by a fine of not more than \$10,000.00.

20 Sec. 42. (1) A person who accepts a contribution, other  
21 than by written instrument, on behalf of another and acts as the  
22 intermediary or agent of the person from whom the contribution  
23 was accepted shall disclose to the recipient of the contribution  
24 the intermediary's own name and address and the name and address  
25 of the actual source of the contribution.

26 (2) A contribution ~~of more than \$20.00,~~ from a person  
27 whose treasurer does not reside in, whose principal office is not

1 located in, or whose funds are not kept in this state ~~—~~ shall  
2 not be accepted by a person for purposes of supporting or oppos-  
3 ing candidates for elective office or the qualification, passage,  
4 or defeat of a ballot question unless accompanied by a statement  
5 certified as true and correct by an officer of the contributing  
6 person setting forth the full name and address along with the  
7 amount contributed, of each person who contributed ~~more than~~  
8 ~~\$20.00~~ TO THE TOTAL AMOUNT of the contribution. The occupation,  
9 employer, and principal place of business shall be listed for  
10 each person who contributed more than \$100.00 to the total amount  
11 of the contribution. The certified statement shall also state  
12 that the contribution was not made from an account containing  
13 funds prohibited by section 54. This subsection does not apply  
14 if the contributing person is registered as a committee under  
15 section 24.

16 (3) A person shall not receive a contribution from a person  
17 other than a committee unless for purposes of the recipient  
18 person's record keeping and reporting requirements, the contribu-  
19 tion is accompanied by the name and address of each person who  
20 contributed ~~more than \$20.00~~ to the TOTAL AMOUNT OF THE contri-  
21 bution, and the name, address, occupation, employer, and princi-  
22 pal place of business of each person who contributed more than  
23 \$100.00 to the total amount of the contribution.

24 (4) A person who knowingly violates this section is guilty  
25 of a misdemeanor punishable, if the person is an individual, by a  
26 fine of not more than \$1,000.00, or imprisonment for not more

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

3 Sec. 46. ~~At the beginning of~~ BEGINNING JANUARY 1, 1997

4 AND every ~~odd numbered~~ JANUARY 1 OF EACH ODD NUMBERED year

5 AFTER 1997, the secretary of state shall ~~recommend adjustments~~

6 ~~to and which shall be approved by the legislature of~~ ADJUST the

7 dollar value contribution limits provided in this act, together

8 with the dollar value floor for reporting of the name, address,

9 occupation, and employer, or principal place of business of per-

10 sons who make contributions pursuant to this chapter. ~~on the~~

11 ~~basis of the United States department of commerce's consumer~~

12 ~~price index and the number of registered voters in the state.~~

13 THE SECRETARY OF STATE SHALL MAKE THE ADJUSTMENT BY COMPARING THE

14 PERCENTAGE INCREASE OR DECREASE IN THE DETROIT CONSUMER PRICE

15 INDEX--ALL ITEMS FOR THE PRECEDING NOVEMBER BY THE CORRESPONDING

16 DETROIT CONSUMER PRICE INDEX--ALL ITEMS 2 YEARS EARLIER. THE

17 SECRETARY OF STATE SHALL MULTIPLY THE RESULTANT PERCENTAGE CHANGE

18 BY THE AFFECTED MONETARY AMOUNTS. THE SECRETARY OF STATE SHALL

19 ROUND THE PRODUCT TO THE NEAREST DOLLAR AND ADD IT TO OR SUBTRACT

20 IT FROM THE MONETARY AMOUNTS EXISTING ON THE EFFECTIVE DATE OF

21 THE AMENDATORY ACT THAT ADDED THIS SENTENCE OR THOSE AMOUNTS AS

22 PREVIOUSLY ADJUSTED BY THIS SECTION, WHICHEVER OCCURS LATER. THE

23 ADJUSTED AMOUNTS SHALL BE THE NEW AMOUNTS FOR THE 2-YEAR PERIOD.

24 Sec. 47. (1) A billboard, placard, poster, pamphlet, or

25 other printed matter ~~having reference~~ THAT REFERS to an elec-

26 tion, a candidate, or A ballot question, shall bear upon it the

27 name and address of the person paying for the matter AND SHALL

1 COMPLY WITH SUBSECTION (3). IF THE BILLBOARD, PLACARD, POSTER,  
 2 PAMPHLET, OR OTHER PRINTED MATTER RELATING TO A CANDIDATE IS AN  
 3 INDEPENDENT EXPENDITURE THAT WAS NOT AUTHORIZED IN WRITING BY THE  
 4 CANDIDATE COMMITTEE OF THAT CANDIDATE, THE PRINTED MATTER SHALL  
 5 CONTAIN THE FOLLOWING DISCLAIMER: "NOT AUTHORIZED BY THE CANDI-  
 6 DATE COMMITTEE OF .....".  
 7 (CANDIDATE'S NAME)

8 (2) A radio or television paid advertisement ~~having~~  
 9 ~~reference~~ THAT REFERS to an election, a candidate, or A ballot  
 10 question shall identify the sponsoring person as required by the  
 11 federal communications commission ~~—~~ AND SUBSECTION (3) AND  
 12 shall bear the name of the person paying for the advertisement.  
 13 ~~—, and shall be in compliance with~~ THE RADIO OR TELEVISION PAID  
 14 ADVERTISEMENT SHALL CONTAIN 1 OF the following DISCLAIMERS:

15 (a) If the radio or television paid advertisement relates to  
 16 a candidate and is an independent expenditure: ~~—, the advertise-~~  
 17 ~~ment shall contain the following disclaimer:~~ "Not authorized by  
 18 any candidate".

19 (b) If the radio or television paid advertisement relates to  
 20 a candidate and is not an independent expenditure but is paid for  
 21 by a person other than the candidate to which it is related: ~~—~~  
 22 ~~the advertisement shall contain the following disclaimer:~~  
 23 "Authorized by .....".  
 24 (name of candidate or name of candidate committee)

25 ~~(3) If the printed matter relating to a candidate is an~~  
 26 ~~independent expenditure which was not authorized in writing by~~  
 27 ~~the candidate committee of that candidate, the printed matter~~  
 28 ~~shall contain the following disclaimer: "Not authorized by the~~

1 ~~candidate committee of .....~~"  
 2 ~~(candidate's name)~~

3 (3) THE NAME AND ADDRESS OF THE PERSON PAYING FOR THE MATTER  
 4 UNDER SUBSECTION (1) AND THE IDENTIFICATION OF THE SPONSORING  
 5 PERSON UNDER SUBSECTION (2) SHALL BE READILY APPARENT TO THE REA-  
 6 SONABLE PERSON VIEWING THE MATTER OR ADVERTISEMENT. The SECRETARY  
 7 OF STATE SHALL PROMULGATE RULES THAT DETERMINE THE size and  
 8 placement of the disclaimer. ~~shall be determined by rules~~  
 9 ~~promulgated by the secretary of state.~~ The rules may exempt  
 10 printed matter and certain other items such as campaign buttons  
 11 or balloons, the size of which makes it unreasonable to add an  
 12 identification or disclaimer, from the identification or dis-  
 13 claimer required by this section.

14 (4) A person who knowingly violates this section is guilty  
 15 of a misdemeanor ~~and shall be punished~~ PUNISHABLE, IF THE  
 16 PERSON IS AN INDIVIDUAL, by a fine of not more than \$1,000.00 ~~—~~  
 17 or ~~imprisoned~~ IMPRISONMENT for not more than 90 days, or both,  
 18 OR, IF THE PERSON IS OTHER THAN AN INDIVIDUAL, BY A FINE OF NOT  
 19 MORE THAN \$10,000.00.

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

25 (a) \$3,400.00 for a candidate for state elective office  
 26 other than the office of state legislator, OR FOR A CANDIDATE FOR  
 27 LOCAL ELECTIVE OFFICE IF THE DISTRICT FROM WHICH HE OR SHE IS  
 28 SEEKING OFFICE HAS A POPULATION OF MORE THAN 250,000.

1 (b) \$1,000.00 for a candidate for state senator OR FOR A  
 2 CANDIDATE FOR LOCAL ELECTIVE OFFICE IF THE DISTRICT FROM WHICH HE  
 3 OR SHE IS SEEKING OFFICE HAS A POPULATION OF 250,000 OR LESS BUT  
 4 MORE THAN 85,000.

5 (c) \$500.00 for a candidate for state representative OR FOR  
 6 A CANDIDATE FOR LOCAL ELECTIVE OFFICE IF THE DISTRICT FROM WHICH  
 7 HE OR SHE IS SEEKING OFFICE HAS A POPULATION OF 85,000 OR LESS.

8 ~~(2) For the purpose of subsection (1), "with respect to an~~  
 9 ~~election cycle" means 1 of the following:~~

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

14 ~~(b) For a special election, the period beginning the day a~~  
 15 ~~special general election is scheduled or the date the office~~  
 16 ~~becomes vacant, whichever is earlier, and ending on the day of~~  
 17 ~~the special general election.~~

18 (2) ~~(3)~~ An independent committee shall not make contribu-  
 19 tions to a candidate committee of a candidate for ~~state~~ elec-  
 20 tive office that, in the aggregate for that election cycle, are  
 21 more than 10 times the amount permitted a person other than an  
 22 independent committee or political party committee in subsection  
 23 (1).

24 (3) ~~(4)~~ A political party committee other than a state  
 25 central committee shall not make contributions to the candidate  
 26 committee of a candidate for ~~state~~ elective office that are  
 27 more than 10 times the amount permitted a person other than an

1 independent committee or political party committee in subsection  
2 (1).

3       (4) ~~-(5)-~~ A state central committee of a political party  
4 shall not make contributions to the candidate committee of a can-  
5 didate for ~~state~~ elective office other than a candidate for the  
6 legislature that are more than 20 times the amount permitted a  
7 person other than an independent committee or political party  
8 committee in subsection (1). A state central committee of a  
9 political party shall not make contributions to the candidate  
10 committee of a candidate for state senator or state representa-  
11 tive that are more than 10 times the amount permitted a person  
12 other than an independent committee or political party committee  
13 in subsection (1).

14       (5) ~~-(6)-~~ A contribution from a member of a candidate's  
15 immediate family to the candidate committee of that candidate is  
16 exempt from the limitations of subsection (1).

17       (6) ~~-(7)-~~ Consistent with the provisions of this section, a  
18 contribution designated in writing for a particular election  
19 cycle shall be considered made for that election cycle. A con-  
20 tribution made after the close of a particular election cycle and  
21 designated in writing for that election cycle shall be made only  
22 to the extent that the contribution does not exceed the candidate  
23 committee's net outstanding debts and obligations from the elec-  
24 tion cycle so designated. If a contribution is not designated in  
25 writing for a particular election cycle, the contribution shall  
26 be considered made for the election cycle that corresponds to the  
27 date of the written instrument.

1       (7) ~~-(8)-~~ A candidate committee, a candidate, or a treasurer  
2 or agent of a candidate committee shall not accept a contribution  
3 with respect to an election cycle that exceeds the limitations in  
4 subsection (1), (2), (3), OR (4). ~~, or (5).~~

5       (8) ~~-(9)-~~ For the purposes of this act, a contribution made  
6 or received before June 21, 1989 is considered to be made with  
7 respect to an election cycle.

8       (9) ~~-(10)-~~ A person who knowingly violates this section is  
9 guilty of a misdemeanor punishable, if the person is an individu-  
10 al, by a fine of not more than \$1,000.00 or imprisonment for not  
11 more than 90 days, or both, or, if the person is not an individu-  
12 al, by a fine of not more than \$10,000.00.

13       (10) ~~-(11)-~~ For purposes of the limitations provided in  
14 subsections (1) and ~~-(3)-~~ (2), all contributions made by politi-  
15 cal committees or independent committees established by any cor-  
16 poration, joint stock company, or labor organization, including  
17 any parent, subsidiary, branch, division, department, or local  
18 unit thereof, shall be considered to have been made by a single  
19 independent committee. By way of illustration and not limita-  
20 tion, all of the following apply as a result of the application  
21 of this requirement:

22       (a) All of the political committees and independent commit-  
23 tees established by a for profit corporation or joint stock com-  
24 pany, by a subsidiary of the for profit corporation or joint  
25 stock company, or by any combination thereof, are treated as a  
26 single independent committee.

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

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

14 (d) All of the political committees and independent commit-  
 15 tees established by a nonprofit corporation, by a related state  
 16 entity of that nonprofit corporation, by a related local entity  
 17 of that nonprofit corporation, or by any combination thereof, are  
 18 treated as a single independent committee.

19 Sec. 62. (1) ~~Only a~~ A candidate who ~~established~~  
 20 ESTABLISHES a single candidate committee ~~which submitted~~ THAT  
 21 SUBMITS a statement of organization according to procedures  
 22 established by ~~law~~ THIS ACT may receive ~~moneys under this act~~  
 23 MONEY FROM THE STATE CAMPAIGN FUND. ~~Moneys~~ A CANDIDATE SHALL  
 24 SPEND MONEY received ~~by a candidate pursuant to this act shall~~  
 25 ~~be spent~~ FROM THE STATE CAMPAIGN FUND only through the candidate  
 26 committee and ~~shall be reported by~~ the candidate committee

1 SHALL REPORT THE RECEIPT AND EXPENDITURE OF STATE CAMPAIGN FUND  
2 MONEY according to procedures established by ~~law~~ THIS ACT.

3 (2) If a candidate desires to receive ~~moneys~~ MONEY from  
4 the state campaign fund, the candidate shall file a statement of  
5 organization indicating the intent to seek qualifying contribu-  
6 tions or to make ~~qualifying~~ QUALIFIED CAMPAIGN expenditures.  
7 ~~Contributions~~ A CONTRIBUTION received or ~~expenditures~~ AN  
8 EXPENDITURE made before the filing of a statement of organization  
9 for the office of governor shall not be considered ~~as~~ a quali-  
10 fying contribution OR QUALIFIED CAMPAIGN EXPENDITURE. A CANDI-  
11 DATE WHO FILES A STATEMENT OF ORGANIZATION INDICATING HIS OR HER  
12 INTENT UNDER THIS SUBSECTION SHALL NOT ACCEPT A CONTRIBUTION FROM  
13 AN INDEPENDENT COMMITTEE OR POLITICAL COMMITTEE.

14 (3) A candidate who does not apply for ~~moneys~~ MONEY from  
15 the state campaign fund is not subject to sections 61 to 71.

16 Sec. 66. (1) A candidate may only apply the funds received  
17 under this act from the state campaign fund against qualified  
18 campaign expenditures.

19 ~~(2) As used in this section, "qualified campaign~~  
20 ~~expenditure" means an expenditure for services, materials, facil-~~  
21 ~~ities, or other things of value by the candidate committee to~~  
22 ~~further the candidate's nomination or election to office during~~  
23 ~~the year in which the primary or general election in which the~~  
24 ~~candidate seeks nomination or election is held. Qualified cam-~~  
25 ~~paign expenditure does not include any of the following:~~

26 ~~(a) An expenditure in violation of any law of the United~~  
27 ~~States or of this state.~~

1 ~~(b) A payment made to the candidate or a relative within the~~  
2 ~~third degree of consanguinity of the candidate, or to a business~~  
3 ~~with which the candidate or the relative is associated.~~

4 ~~(c) A payment to the extent clearly in excess of the fair~~  
5 ~~market value of services, materials, facilities, or other things~~  
6 ~~of value received in exchange.~~

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

9 ~~(e) Payment from petty cash.~~

10 ~~(f) Gifts, except brochures, buttons, signs, and other~~  
11 ~~printed campaign material.~~

12 ~~(g) Payment to a defense fund.~~

13 ~~(h) An expenditure by a candidate committee for an inciden-~~  
14 ~~tal expense under section 21a.~~

15 (2) ~~(3)~~ A candidate shall keep the funds received under  
16 this act from the state campaign fund in a separate account. The  
17 candidate's qualified CAMPAIGN expenditures may be paid from the  
18 separate account unless the account does not have a balance. An  
19 unexpended balance in the separate account shall be refunded and  
20 credited to the general fund within 60 days after the election  
21 for which the funds were received. Payment received from the  
22 state campaign fund for expenditures in 1 election shall not be  
23 used for expenditures in a subsequent election.

24 (3) ~~(4)~~ A person who knowingly violates this section is  
25 guilty of a felony punishable, if the person is an individual, by  
26 a fine of not more than \$2,000.00, or imprisonment for not more

1 than 3 years, or both, or, if the person not an individual, by a  
2 fine of not more than \$10,000.00.

3       Sec. 67. (1) Expenditures made by a candidate committee to  
4 further the nomination or election of a candidate may not exceed  
5 \$2,000,000.00 in the aggregate for 1 election. An expenditure by  
6 a candidate committee for an incidental expense under section 21a  
7 is not considered an expenditure for the purposes of the expendi-  
8 ture limitations set forth in this subsection.

9       (2) An expenditure by a candidate committee to purchase  
10 space in a newspaper or other periodical or time on radio or  
11 television for the purpose of responding to an editorial in the  
12 same newspaper or periodical or on the same station or channel  
13 that was unfavorable to the committee's candidate or that  
14 endorsed the candidate's opponent is not considered an expendi-  
15 ture for the purposes of the expenditure limitations set forth in  
16 subsection (1). This subsection only applies to 1 response made  
17 to a particular editorial, unfavorable report, or endorsement of  
18 an opponent and does not apply unless the candidate is refused  
19 free space or time in which to answer.

20       (3) A person who knowingly violates subsection (1) is guilty  
21 of a misdemeanor punishable by a fine of not more than \$1,000.00,  
22 or imprisonment for not more than 90 days, or both.

23       (4) If a person who is subject to this section is found  
24 guilty, the circuit court, on application by the ~~attorney~~  
25 ~~general~~ SECRETARY OF STATE, may prohibit that person from assum-  
26 ing the duties of a public office or from receiving compensation  
27 from public funds, or both.

1       Sec. 68. (1) A PERSON SHALL NOT INCUR A debt for goods,  
2 services, materials, facilities, or anything of value in further-  
3 ance of, or in opposition to, the nomination for, or election to,  
4 office of a candidate ~~shall not be incurred by a person which~~  
5 THAT, when paid, will cause the expenditures of that candidate or  
6 person to exceed any limit imposed by this act. A person who  
7 knowingly violates this subsection is guilty of a misdemeanor  
8 ~~and shall be punished~~ PUNISHABLE by a fine of not more than  
9 \$1,000.00 ~~or imprisoned~~ IMPRISONMENT for not more than 90  
10 days, or both.

11       (2) If a person who is subject to this section is found  
12 guilty, the circuit court of that county, on application by the  
13 ~~attorney general~~ SECRETARY OF STATE, may prohibit that person  
14 from assuming the duties of a public office or from receiving  
15 compensation from public funds, or both.

16       Sec. 69. (1) Except as provided in subsection (6), a person  
17 other than an independent committee or a political party commit-  
18 tee shall not make contributions to a candidate committee of a  
19 candidate ~~which~~ THAT are more than \$3,400.00 in value for an  
20 election cycle.

21       (2) An independent committee shall not make contributions to  
22 a candidate committee ~~which,~~ THAT for ~~that~~ AN election cycle  
23 are more than 10 times the amount permitted a person other than  
24 an independent committee or political party committee in subsec-  
25 tion (1).

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

4 (4) A political party committee that is a congressional dis-  
5 trict or county committee shall not make contributions to a can-  
6 didate committee ~~which~~ THAT for an election cycle are more than  
7 \$30,000.00.

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

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

17 (7) ~~Section 52(2) and 52(7)~~ SECTIONS 5(2) AND 52(6) apply  
18 to determining when an election cycle begins and ends and to  
19 which election cycle a particular contribution shall be  
20 attributed.

21 (8) The candidate committee of a candidate for governor that  
22 does not make application for FUNDS FROM THE state campaign  
23 ~~funds~~ FUND and that accepts from the candidate and the  
24 candidate's immediate family contributions that total for an  
25 election cycle more than \$340,000.00 shall notify the secretary  
26 of state in writing within 48 hours after receipt of this  
27 amount. Within 2 business days after receipt of this notice, the

1 secretary of state shall send notice to all candidates who are  
2 either seeking the same nomination, in the case of a primary  
3 election, or election to that same office, in the case of a gen-  
4 eral election, informing those candidate committees of all of the  
5 following:

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

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

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