



# HOUSE BILL No. 6002

September 10, 1996, Introduced by Reps. Lowe, Voorhees, McBryde, Dalman, Cropsey, Horton, Perricone, Gernaat, Crissman, Hill, Jaye and Jersevic and referred to the Committee on House Oversight and Ethics.

A bill to amend section 26 of Act No. 388 of the Public Acts of 1976, entitled as amended "Michigan campaign finance act," as amended by Act No. 264 of the Public Acts of 1995, being section 169.226 of the Michigan Compiled Laws; and to add section 21b.

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

1 Section 1. Section 26 of Act No. 388 of the Public Acts of  
2 1976, as amended by Act No. 264 of the Public Acts of 1995, being  
3 section 169.226 of the Michigan Compiled Laws, is amended and  
4 section 21b is added to read as follows:

5 SEC. 21B. (1) SUBJECT TO THIS SECTION, A CANDIDATE COMMIT-  
6 TEE MAY ACCEPT CONTRIBUTIONS. THE CANDIDATE COMMITTEE SHALL ONLY  
7 ACCEPT CONTRIBUTIONS SO THAT NOT LESS THAN 50% OF ALL OF THAT  
8 CANDIDATE COMMITTEE'S FUNDS CONSIST OF CONTRIBUTIONS FROM

1 INDIVIDUALS WHOSE PRIMARY RESIDENCE IS LOCATED WITHIN THE  
2 DISTRICT THAT THE CANDIDATE SEEKS TO REPRESENT.

3 (2) IF THE SECRETARY OF STATE DETERMINES THAT A CANDIDATE  
4 COMMITTEE HAS ACCEPTED A CONTRIBUTION THAT VIOLATES SUBSECTION  
5 (1), THE SECRETARY OF STATE SHALL NOTIFY THE COMMITTEE OF THE  
6 VIOLATION. THE CANDIDATE COMMITTEE, WITHIN 10 DAYS AFTER RECEIPT  
7 OF THE NOTICE BY THE SECRETARY OF STATE, SHALL RETURN THE CONTRI-  
8 BUTION THAT CAUSED THE VIOLATION OF SUBSECTION (1) TO THE CON-  
9 TRIBUTOR OF THE CONTRIBUTION.

10 (3) A PERSON WHO VIOLATES SUBSECTION (2) IS SUBJECT TO A  
11 CIVIL FINE OF \$1,000.00.

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

15 (a) The filing committee's name, address, and telephone  
16 number, and the full name, residential and business addresses,  
17 and telephone numbers of the committee treasurer or other indi-  
18 vidual designated as responsible for the committee's record keep-  
19 ing, report preparation, or report filing.

20 (b) Under the heading "receipts", the total amount of con-  
21 tributions received during the period covered by the campaign  
22 statement; under the heading "expenditures", the total amount of  
23 expenditures made during the period covered by the campaign  
24 statement; and the cumulative amount of those totals.  
25 Forgiveness of a loan shall not be included in the totals.  
26 Payment of a loan by a third party shall be recorded and reported  
27 as an in-kind contribution by the third party. In-kind

1 contributions or expenditures shall be listed at fair market  
2 value and shall be reported as both contributions and  
3 expenditures. A contribution or expenditure that is by other  
4 than completed and accepted payment, gift, or other transfer,  
5 that is clearly not legally enforceable, and that is expressly  
6 withdrawn or rejected and returned before a campaign statement  
7 closing date need not be included in the campaign statement and  
8 if included may, in a later or amended statement, be shown as a  
9 deduction, but the committee shall keep adequate records of each  
10 instance.

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

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

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

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

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

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

1 (ii) The total amount of all contributions of more than  
2 \$20.00.

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

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

6 (v) The expenditures incident to the event.

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

15 (i) The cumulative amount contributed and the name and  
16 address of each individual, except those individuals reported  
17 under subdivision (h), who contributed a total of more than  
18 \$20.00. The occupation, employer, and principal place of busi-  
19 ness, shall be stated for each individual who contributed more  
20 than \$100.00.

21 (j) The name and street address of each person, other than  
22 an individual, from whom contributions are received during the  
23 period covered by the campaign statement, together with an item-  
24 ization of the amounts contributed, the date on which each con-  
25 tribution was received, and the cumulative amount contributed by  
26 that person.

1 (k) The name, address, and amount given by an individual who  
2 contributed more than \$20.00 to the total amount contributed by a  
3 person who is other than a committee or an individual. The occu-  
4 pation, employer, and principal place of business shall be stated  
5 if the individual contributed more than \$100.00 of the total  
6 amount contributed by a person who is other than a committee or  
7 an individual.

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

12 (m) The full name and street address of each person to whom  
13 expenditures totaling more than \$50.00 were made, together with  
14 the amount of each separate expenditure to each person during the  
15 period covered by the campaign statement; the purpose of the  
16 expenditure; the full name and street address of the person pro-  
17 viding the consideration for which any expenditure was made if  
18 different from the payee; the itemization regardless of amount of  
19 each expenditure made to or on behalf of another committee, can-  
20 didate, or ballot question; and the cumulative amount of expendi-  
21 tures for or against that candidate or ballot question for an  
22 election cycle. An expenditure made in support of more than 1  
23 candidate or ballot question, or both, shall be apportioned rea-  
24 sonably among the candidates or ballot questions, or both.

25 (N) FOR A CANDIDATE COMMITTEE, THE TOTAL AMOUNT OF CONTRIBU-  
26 TIONS RECEIVED FROM INDIVIDUALS WHOSE PRIMARY RESIDENCE IS  
27 LOCATED WITHIN THE DISTRICT THAT THE CANDIDATE SEEKS TO REPRESENT

1 AND THE TOTAL AMOUNT OF CONTRIBUTIONS RECEIVED FROM ALL OTHER  
2 SOURCES.

3 (2) A candidate committee or ballot question committee shall  
4 report all cumulative amounts required by this section on a per  
5 election cycle basis. Except for subsection (1)(m), an indepen-  
6 dent committee or political committee shall report all cumulative  
7 amounts required by this section on a calendar year basis.

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