

# HOUSE BILL No. 4263

February 11, 1999, Introduced by Reps. Cherry, DeHart, Bogardus, Brater, Schauer, Baird, Quarles, Dennis, Woodward, O'Neil, Martinez, LaForge and Kilpatrick and referred to the Committee on Constitutional Law and Ethics.

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending sections 3, 5, 7, 9, 10, 11, 12, 51, and 52 (MCL 169.203, 169.205, 169.207, 169.209, 169.210, 169.211, 169.212, 169.251, and 169.252), sections 3 and 51 as amended by 1989 PA 95, sections 5 and 12 as amended by 1995 PA 264, section 7 as amended by 1994 PA 385, and sections 9, 11, and 52 as amended by 1996 PA 590, and by adding sections 33b, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 106, 107, 108, and 109; and to repeal acts and parts of acts.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 3. (1) "Candidate" means an individual WHO MEETS 1 OF  
2 THE FOLLOWING CRITERIA:

3       (a) ~~who~~ HE OR SHE files a fee, affidavit of incumbency, or  
4 nominating petition for an elective office. ~~+~~

1 (b) ~~whose nomination~~ HE OR SHE IS NOMINATED as a candidate  
2 for elective office by a political party caucus or convention AND  
3 THE NOMINATION is certified to the appropriate filing official.

4 ~~;~~

5 (c) ~~who~~ HE OR SHE receives a contribution, makes an expen-  
6 diture, or gives consent for another person to receive a contri-  
7 bution or make an expenditure with a view to bringing about the  
8 individual's nomination or election to an elective office,  
9 whether or not the specific elective office for which the indi-  
10 vidual will seek nomination or election is known at the time the  
11 contribution is received or the expenditure is made. ~~;~~ ~~or~~

12 (d) ~~who~~ HE OR SHE is an officeholder who is the subject of  
13 a recall vote. ~~Unless~~

14 (E) HE OR SHE HOLDS AN ELECTIVE OFFICE, UNLESS the office-  
15 holder is constitutionally or legally barred from seeking reelec-  
16 tion or fails to file for reelection to that office by the appli-  
17 cable filing deadline. ~~;~~ ~~an elected officeholder shall be~~ AN  
18 INDIVIDUAL DESCRIBED IN THIS SUBDIVISION IS considered to be a  
19 candidate for reelection to that same office for the purposes of  
20 this act only.

21 ~~For purposes of sections 61 to 71, "candidate" only means,~~  
22 ~~in a primary election, a candidate for the office of governor~~  
23 ~~and, in a general election, a candidate for the office of gover-~~  
24 ~~nor or lieutenant governor. However, the candidates for the~~  
25 ~~office of governor and lieutenant governor of the same political~~  
26 ~~party in a general election shall be considered as 1 candidate.~~

1 (2) "Candidate committee" means the committee designated in  
2 a candidate's filed statement of organization as that  
3 individual's candidate committee. A candidate committee shall be  
4 under the control and direction of the candidate named in the  
5 same statement of organization. Notwithstanding subsection ~~(4)~~  
6 (5), an individual shall form a candidate committee pursuant to  
7 section 21 when the individual becomes a candidate under subsec-  
8 tion (1).

9 (3) "CERTIFIED CANDIDATE" MEANS A CANDIDATE RUNNING FOR THE  
10 OFFICE OF GOVERNOR, STATE SENATOR, OR STATE REPRESENTATIVE WHO  
11 CHOOSES TO PARTICIPATE IN THE MICHIGAN PUBLIC CAMPAIGN ACT AND  
12 WHO IS CERTIFIED AS A MICHIGAN PUBLIC CAMPAIGN ACT CANDIDATE  
13 UNDER SECTION 97.

14 (4) ~~(3)~~ "Closing date" means the date through which a cam-  
15 paign statement is required to be complete.

16 (5) ~~(4)~~ "Committee" means a person who receives contribu-  
17 tions or makes expenditures for the purpose of influencing or  
18 attempting to influence the action of the voters for or against  
19 the nomination or election of a candidate, or the qualification,  
20 passage, or defeat of a ballot question, if contributions  
21 received total \$500.00 or more in a calendar year or expenditures  
22 made total \$500.00 or more in a calendar year. An individual,  
23 other than a candidate, does not constitute a committee. A  
24 person, other than a committee registered under this act,  
25 ~~making~~ WHO MAKES an expenditure to a ballot question committee,  
26 ~~shall~~ for that reason, IS not ~~be~~ considered a committee for  
27 the purposes of this act unless the person solicits or receives

1 contributions for the purpose of making an expenditure to that  
2 ballot question committee.

3       Sec. 5. (1) "Domestic dependent sovereign" means an Indian  
4 tribe that has been acknowledged, recognized, restored, or reaf-  
5 firmed as an Indian tribe by the secretary of the interior pursu-  
6 ant to chapter 576, 48 Stat. 984, 25 U.S.C. 461 to 463, 464 to  
7 465, 466 to 470, 471 to 472, 473, 474 to 475, 476 to 478, and  
8 479, commonly referred to as the Indian reorganization act, or  
9 has otherwise been acknowledged by the United States government  
10 as an Indian tribe.

11       (2) "Election" means a primary, general, special, or millage  
12 election held in this state or a convention or caucus of a polit-  
13 ical party held in this state to nominate a candidate. Election  
14 includes a recall vote.

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

16       (a) For a general election OR OTHER REGULARLY SCHEDULED  
17 ELECTION, the period beginning the day following the last  
18 general, election OR OTHER REGULARLY SCHEDULED ELECTION in which  
19 the office appeared on the ballot and ending on the day of the  
20 general election OR OTHER REGULARLY SCHEDULED ELECTION in which  
21 the office next appears on the ballot.

22       (b) For a special election, the period beginning the day a  
23 special general election is called or the date the office becomes  
24 vacant, whichever is earlier, and ending on the day of the spe-  
25 cial general election.

26       (4) "Elective office" means a public office filled by an  
27 election, except for federal offices. A person who is appointed

1 to fill a vacancy in a public office that is ordinarily elective  
2 holds an elective office. Elective office does not include the  
3 office of precinct delegate. Except for the purposes of  
4 sections 47, 54, and 55, elective office does not include a  
5 school board member in a school district that has a pupil member-  
6 ship of 2,400 or less enrolled on the most recent pupil member-  
7 ship count day. However, elective office includes a school board  
8 member in a school district that has a pupil membership of 2,400  
9 or less, if a candidate committee of a candidate for the office  
10 of school board member in that school district receives an amount  
11 in excess of \$1,000.00 or expends an amount in excess of  
12 \$1,000.00.

13       Sec. 7. (1) "Filed" means the receipt by the appropriate  
14 filing official of a statement or report required to be filed  
15 under this act.

16       (2) "Filer" means a person required to file a statement or  
17 report pursuant to this act.

18       (3) "Filing official" means the official designated pursuant  
19 to this act to receive required statements and reports.

20       (4) "FUND" MEANS THE MICHIGAN PUBLIC CAMPAIGN ACT FUND  
21 ESTABLISHED IN SECTION 92.

22       (5) ~~(4)~~ "Fund raising event" means an event such as a  
23 dinner, reception, testimonial, rally, auction, bingo, or similar  
24 affair through which contributions are solicited or received by  
25 purchase of a ticket, payment of an attendance fee, making a  
26 donation, purchase of chances for prizes, or purchase of goods or  
27 services.

1           (6) ~~-(5)-~~ "Gift" means a payment, subscription, advance,  
2 forbearance, rendering, or deposit of money, services, or any-  
3 thing of value, unless consideration of equal or greater value is  
4 given in exchange.

5           (7) ~~-(6)-~~ "Honorarium" means a payment of money to a person  
6 holding elective office as consideration for an appearance, a  
7 speech, an article, or any activity related to or associated with  
8 the performance of duties as an elected official. An honorarium  
9 does not include any of the following:

10           (a) Reimbursement for the cost of transportation, accommoda-  
11 tions, or meals for the person.

12           (b) Wages, salaries, other employee compensation, and  
13 expenses authorized to be paid by this state or a political sub-  
14 division of this state to the person holding elective office.

15           (c) An award.

16           Sec. 9. (1) "Incidental expense" means an expenditure that  
17 is an ordinary and necessary expense, as described in section 162  
18 of the internal revenue code of 1986, ~~26 U.S.C. 162,~~ paid or  
19 incurred in carrying out the business of an elective office.  
20 Incidental expense includes, but is not limited to, any of the  
21 following:

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

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

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

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

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

6 (f) An unreimbursed disbursement for travel, lodging, meals,  
7 or other expenses incurred by the public official, a member of  
8 the public official's immediate family, or a member of the public  
9 official's staff in carrying out the business of the elective  
10 office.

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

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

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

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

23 (k) A purchase of advertisements in testimonials, program  
24 books, souvenir books, or other publications if the advertisement  
25 does not support or oppose the nomination or election of a  
26 candidate.

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

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

5 (n) A payment of a tax liability incurred as a result of  
6 authorized transactions by the candidate committee of the public  
7 official.

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

10 (p) A debt or obligation incurred by the candidate committee  
11 of a public official for a disbursement authorized by subdivi-  
12 sions (a) to (o), if the debt or obligation was reported in the  
13 candidate committee report filed for the year in which the debt  
14 or obligation arose.

15 (2) "Independent expenditure" means an expenditure by a  
16 person ~~if the expenditure is not made at the direction of, or~~  
17 ~~under the control of, another person and if the expenditure is~~  
18 ~~not a contribution to a committee~~ FOR A COMMUNICATION EXPRESSLY  
19 ADVOCATING THE ELECTION OR DEFEAT OF A CANDIDATE OR THE PASSAGE  
20 OR DEFEAT OF A BALLOT QUESTION, WHICH COMMUNICATION IS NOT MADE  
21 WITH THE COOPERATION OF, WITH THE PRIOR CONSENT OF, IN CONSULTA-  
22 TION WITH, OR AT THE REQUEST OR SUGGESTION OF A CANDIDATE, CANDI-  
23 DATE COMMITTEE, OR BALLOT QUESTION COMMITTEE.

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

26 (4) "ISSUE ADVERTISEMENT" MEANS A COMMUNICATION THROUGH A  
27 BROADCASTING STATION, NEWSPAPER, MAGAZINE, OUTDOOR ADVERTISING

1 FACILITY, MAILING, OR ANY OTHER TYPE OF GENERAL PUBLIC POLITICAL  
2 ADVERTISING THAT MEETS ALL OF THE FOLLOWING REQUIREMENTS:

3 (A) THE PURCHASE OF WHICH IS NOT AN INDEPENDENT EXPENDITURE  
4 OR CONTRIBUTION.

5 (B) COSTS, IN THE AGGREGATE, \$1,000.00 OR MORE.

6 (C) CONTAINS THE NAME OR LIKENESS OF A CANDIDATE.

7 (D) RECOMMENDS A POSITION ON A POLITICAL ISSUE.

8 (5) ~~(4)~~ "Loan" means a transfer of money, property, or  
9 anything of ascertainable monetary value in exchange for an obli-  
10 gation, conditional or not, to repay in whole or part.

11 (6) ~~(5)~~ "Local elective office" means an elective office  
12 at the local unit of government level. Local elective office  
13 also includes judge of the court of appeals, judge of the circuit  
14 court, judge of the recorder's court of the city of Detroit,  
15 judge of the district court, judge of the probate court, and  
16 judge of a municipal court.

17 (7) ~~(6)~~ "Local unit of government" means a district,  
18 authority, county, city, village, township, board, school dis-  
19 trict, intermediate school district, or community college  
20 district.

21 Sec. 10. (1) "Major political party" means a political  
22 party qualified to have its name listed on the general election  
23 ballot whose candidate for governor received 25% or more of the  
24 popular vote cast in the preceding gubernatorial election. If  
25 only 1 political party received 25% or more of the popular vote  
26 cast for governor in the preceding gubernatorial election, then

1 the political party with the second highest vote shall be deemed  
2 a major party.

3 (2) "MICHIGAN PUBLIC CAMPAIGN ACT" MEANS THE ALTERNATIVE  
4 CAMPAIGN FINANCE PROVISIONS CONTAINED IN SECTIONS 91 TO 109.

5 (3) ~~(2)~~ "Minor political party" means a political party  
6 qualified to have its name listed on the general election ballot  
7 but which does not qualify as a major party.

8 (4) ~~(3)~~ "Nominee" means an individual nominated to be a  
9 candidate.

10 (5) "NONPARTICIPATING CANDIDATE" MEANS A CANDIDATE RUNNING  
11 FOR THE OFFICE OF GOVERNOR, STATE SENATOR, OR STATE REPRESENTA-  
12 TIVE WHO DOES NOT CHOOSE TO PARTICIPATE IN THE MICHIGAN PUBLIC  
13 CAMPAIGN ACT AND WHO IS NOT SEEKING TO BE CERTIFIED AS A MICHIGAN  
14 PUBLIC CAMPAIGN ACT CANDIDATE UNDER SECTION 97.

15 Sec. 11. (1) "PARTICIPATING CANDIDATE" MEANS A CANDIDATE  
16 WHO IS RUNNING FOR THE OFFICE OF GOVERNOR, STATE SENATOR, OR  
17 STATE REPRESENTATIVE WHO IS SEEKING TO BE CERTIFIED AS A MICHIGAN  
18 PUBLIC CAMPAIGN ACT CANDIDATE UNDER SECTION 97.

19 (2) ~~(1)~~ "Person" means a business, individual, proprietor-  
20 ship, firm, partnership, joint venture, syndicate, business  
21 trust, labor organization, company, corporation, association,  
22 committee, or any other organization or group of persons acting  
23 jointly.

24 (3) ~~(2)~~ "Political committee" means a committee that is  
25 not a candidate committee, political party committee, independent  
26 committee, or ballot question committee.

1           (4) ~~(3)~~ "Political merchandise" means goods such as bumper  
2 stickers, pins, hats, beverages, literature, or other items sold  
3 by a person at a fund raiser or to the general public for public-  
4 ity or for the purpose of raising funds to be used in supporting  
5 or opposing a candidate for nomination for or election to an  
6 elective office or in supporting or opposing the qualification,  
7 passage, or defeat of a ballot question.

8           (5) ~~(4)~~ "Political party" means a political party ~~which~~  
9 THAT has a right under law to have the names of its candidates  
10 listed on the ballot in a general election.

11           (6) ~~(5)~~ "Political party committee" means a state central,  
12 district, or county committee of a political party ~~which~~ THAT  
13 is a committee. Each state central committee shall designate the  
14 official party county and district committees. There shall not  
15 be more than 1 officially designated political party committee  
16 per county and per congressional district.

17           (7) ~~(6)~~ "Public body" means 1 or more of the following:

18           (a) A state agency, department, division, bureau, board,  
19 commission, council, authority, or other body in the executive  
20 branch of state government.

21           (b) The legislature or an agency, board, commission, or  
22 council in the legislative branch of state government.

23           (c) A county, city, township, village, intercounty, inter-  
24 city, or regional governing body; a council, school district,  
25 special district, or municipal corporation; or a board, depart-  
26 ment, commission, or council or an agency of a board, department,  
27 commission, or council.

1 (d) Any other body that is created by state or local  
2 authority or is primarily funded by or through state or local  
3 authority, which body exercises governmental or proprietary  
4 authority or performs a governmental or proprietary function.

5 Sec. 12. (1) "Qualifying contribution" means a contribution  
6 ~~of money made by a written instrument by an individual to the~~  
7 ~~candidate committee of a candidate for the office of governor~~  
8 ~~that is \$100.00 or less and made after April 1 of the year pre-~~  
9 ~~ceding a year in which a governor is to be elected. Not more~~  
10 ~~than \$100.00 of an individual's total aggregate contribution may~~  
11 ~~be used as a qualifying contribution in any calendar year.~~

12 ~~Qualifying contribution does not include a subscription, loan,~~  
13 ~~advance, deposit of money, in-kind contribution or expenditure,~~  
14 ~~or anything else of value except as prescribed in this act.~~

15 ~~Qualifying contribution does not include a contribution by an~~  
16 ~~individual who resides outside of this state. For purposes of~~  
17 ~~this subsection, an individual is considered to reside in this~~  
18 ~~state if he or she is considered a resident of this state under~~  
19 ~~the Michigan election law, Act No. 116 of the Public Acts of~~  
20 ~~1954, being sections 168.1 to 168.992 of the Michigan Compiled~~  
21 ~~Laws. THAT MEETS ALL OF THE FOLLOWING CRITERIA:~~

22 (A) IS IN THE AMOUNT OF \$5.00 IN CASH OR IN THE FORM OF A  
23 CHECK OR MONEY ORDER MADE PAYABLE TO THE FUND IN SUPPORT OF A  
24 PARTICIPATING CANDIDATE.

25 (B) IS MADE BY A REGISTERED VOTER WITHIN THE DISTRICT FROM  
26 WHICH THE PARTICIPATING CANDIDATE IS SEEKING OFFICE.

1 (C) IS MADE DURING THE DESIGNATED QUALIFYING PERIOD.

2 (D) IS OBTAINED WITH THE KNOWLEDGE AND APPROVAL OF THE  
3 PARTICIPATING CANDIDATE.

4 (E) IS ACKNOWLEDGED BY A WRITTEN RECEIPT THAT IDENTIFIES THE  
5 NAME AND ADDRESS OF THE DONOR ON FORMS PROVIDED BY THE SECRETARY  
6 OF STATE.

7 (2) "QUALIFYING PERIOD" MEANS 1 OF THE FOLLOWING, AS  
8 APPLICABLE:

9 (A) FOR A CANDIDATE FOR THE OFFICE OF GOVERNOR, THE QUALIFY-  
10 ING PERIOD BEGINS JANUARY 1 OF THE ELECTION YEAR AND ENDS AT 5  
11 P.M. ON JUNE 16 OF THE ELECTION YEAR UNLESS THE CANDIDATE IS  
12 WITHOUT MAJOR POLITICAL PARTY AFFILIATION, IN WHICH CASE THE  
13 PERIOD ENDS AT 5 P.M. ON JULY 31 OF THE ELECTION YEAR.

14 (B) FOR A CANDIDATE FOR THE OFFICE OF STATE SENATOR OR STATE  
15 REPRESENTATIVE, THE QUALIFYING PERIOD BEGINS MARCH 1 OF THE ELEC-  
16 TION YEAR AND ENDS AT 5 P.M. ON JUNE 16 OF THE ELECTION YEAR  
17 UNLESS THE CANDIDATE IS WITHOUT MAJOR POLITICAL PARTY AFFILIA-  
18 TION, IN WHICH CASE THE PERIOD ENDS AT 5 P.M. ON JULY 31 OF THE  
19 ELECTION YEAR.

20 (3) "SEED MONEY CONTRIBUTION" MEANS A CONTRIBUTION MADE TO A  
21 CANDIDATE, INCLUDING A CONTRIBUTION FROM THE CANDIDATE OR A  
22 MEMBER OF THE CANDIDATE'S IMMEDIATE FAMILY, THAT MEETS 1 OF THE  
23 FOLLOWING REQUIREMENTS, AS APPLICABLE:

24 (A) FOR A CANDIDATE FOR THE OFFICE OF GOVERNOR, IS A CONTRI-  
25 BUTION OF NO MORE THAN \$500.00 PER INDIVIDUAL.

1 (B) FOR A CANDIDATE FOR THE OFFICE OF STATE SENATOR OR STATE  
2 REPRESENTATIVE, IS A CONTRIBUTION OF NO MORE THAN \$100.00 PER  
3 INDIVIDUAL.

4 (4) ~~(2)~~ "Senate political party caucus committee" means an  
5 independent committee established by a political party caucus of  
6 the state senate under section 24a.

7 (5) ~~(3)~~ "State elective office" means the office of gover-  
8 nor, lieutenant governor, secretary of state, attorney general,  
9 justice of the supreme court, member of the state board of educa-  
10 tion, regent of the university of Michigan, member of the board  
11 of trustees of Michigan state university, member of the board of  
12 governors of Wayne state university, and member of the state  
13 legislature.

14 SEC. 33B. A PERSON WHO MAKES OR OBLIGATES TO MAKE A DIS-  
15 BURSEMENT TO PURCHASE AN ISSUE ADVERTISEMENT SHALL FILE WITH THE  
16 SECRETARY OF STATE NOT LATER THAN 48 HOURS AFTER MAKING OR OBLI-  
17 GATING TO MAKE THE DISBURSEMENT A REPORT CONTAINING ALL OF THE  
18 FOLLOWING INFORMATION:

19 (A) THE AMOUNT OF THE DISBURSEMENT.

20 (B) THE NAME AND ADDRESS OF THE PERSON MAKING THE  
21 DISBURSEMENT.

22 (C) THE PURPOSE OF THE ISSUE ADVERTISEMENT.

23 Sec. 51. A person, other than a committee, who makes an  
24 independent expenditure, advocating the election of a candidate  
25 or the defeat of a candidate's opponents or the qualification,  
26 passage, or defeat of a ballot question, in an amount of ~~-\$100.01~~  
27 ~~or~~ more THAN \$100.00 in a calendar year shall file a report of

1 the independent expenditure, within ~~10 days~~ 48 HOURS, with the  
2 clerk of the county of residence of that person AND WITH THE SEC-  
3 RETARY OF STATE. The report shall be made on an independent  
4 expenditure report form provided by the secretary of state and  
5 shall include the date of the expenditure, a brief description of  
6 the nature of the expenditure, the amount, the name and address  
7 of the person to whom it was paid, the name and address of the  
8 person filing the report, together with the name, address, occu-  
9 pation, employer, and principal place of business of each person  
10 who contributed ~~-\$100.01 or~~ more THAN \$100.00 to the  
11 expenditure. The filing official receiving the report shall for-  
12 ward copies, as required, to the appropriate filing officers as  
13 described in section 36, UNLESS THE APPROPRIATE FILING OFFICER IS  
14 THE SECRETARY OF STATE.

15 Sec. 52. (1) Except as provided in subsection (5) and  
16 subject to ~~subsection~~ SUBSECTIONS (8) AND (9), a person other  
17 than an independent committee or a political party committee  
18 shall not make contributions to a candidate committee of a candi-  
19 date for elective office that, with respect to an election cycle,  
20 are more than the following:

21 (a) ~~-\$3,400.00~~ \$1,700.00 for a candidate for state elective  
22 office other than the office of state legislator, or for a candi-  
23 date for local elective office if the district from which he or  
24 she is seeking office has a population of more than 250,000.

25 (b) ~~-\$1,000.00~~ \$500.00 for a candidate for state senator,  
26 or for a candidate for local elective office if the district from

1 which he or she is seeking office has a population of more than  
2 85,000 but 250,000 or less.

3 (c) ~~-\$500.00-~~ \$250.00 for a candidate for state representa-  
4 tive, or for a candidate for local elective office if the dis-  
5 trict from which he or she is seeking office has a population of  
6 85,000 or less.

7 (2) Except as otherwise provided in this subsection, an  
8 independent committee shall not make contributions to a candidate  
9 committee of a candidate for elective office that, in the aggre-  
10 gate for that election cycle, are more than 10 times the amount  
11 permitted a person other than an independent committee or politi-  
12 cal party committee in subsection (1). A house political party  
13 caucus committee or a senate political party caucus committee is  
14 not limited under this subsection in the amount of contributions  
15 made to the candidate committee of a candidate for the office of  
16 state legislator, except as follows:

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

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

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

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

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

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

1 particular election cycle, the contribution is considered made  
2 for the election cycle that corresponds to the date of the writ-  
3 ten instrument.

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

8 (8) The contribution limits in subsection (1) for a candi-  
9 date for local elective office are effective on ~~the effective~~  
10 ~~date of the amendatory act that provides for those contribution~~  
11 ~~limits~~ MARCH 31, 1997, however, only contributions received by  
12 that candidate on and after ~~that date~~ MARCH 31, 1997 shall be  
13 used to determine if the contribution limit has been reached.

14 (9) AN INDIVIDUAL SHALL NOT MAKE CONTRIBUTIONS TO COMMITTEES  
15 ORGANIZED UNDER THIS ACT THAT, IN THE AGGREGATE, EXCEED  
16 \$50,000.00 IN A CALENDAR YEAR.

17 (10) SUBJECT TO SUBSECTION (9), AN INDIVIDUAL SHALL NOT MAKE  
18 CONTRIBUTIONS TO A POLITICAL PARTY COMMITTEE, A POLITICAL COMMIT-  
19 TEE, OR AN INDEPENDENT COMMITTEE THAT EXCEED \$20,000.00 IN A CAL-  
20 ENDAR YEAR. A POLITICAL PARTY COMMITTEE, POLITICAL COMMITTEE, OR  
21 INDEPENDENT COMMITTEE SHALL NOT ACCEPT A CONTRIBUTION WITH  
22 RESPECT TO A CALENDAR YEAR THAT EXCEEDS THE LIMITATION IN THIS  
23 SUBSECTION.

24 (11) ~~(9)~~ A person who knowingly violates this section is  
25 guilty of a misdemeanor punishable, if the person is an individu-  
26 al, by a fine of not more than \$1,000.00 or imprisonment for not

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

3       (12) ~~(10)~~ For purposes of the limitations provided in  
4 subsections (1) and (2), all contributions made by political com-  
5 mittees or independent committees established by any corporation,  
6 joint stock company, domestic dependent sovereign, or labor  
7 organization, including any parent, subsidiary, branch, division,  
8 department, or local unit thereof, shall be considered to have  
9 been made by a single independent committee. By way of illustra-  
10 tion and not limitation, all of the following apply as a result  
11 of the application of this requirement:

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

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

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

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

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

8 SEC. 91. (1) THIS SECTION AND SECTIONS 92 TO 109 SHALL BE  
9 KNOWN AND MAY BE CITED AS THE "MICHIGAN PUBLIC CAMPAIGN ACT".

10 (2) THE MICHIGAN PUBLIC CAMPAIGN ACT ESTABLISHES AN ALTERNA-  
11 TIVE CAMPAIGN FINANCING OPTION AVAILABLE TO CANDIDATES RUNNING  
12 FOR THE OFFICES OF GOVERNOR, STATE SENATOR, AND STATE  
13 REPRESENTATIVE. THIS ALTERNATIVE CAMPAIGN FINANCING OPTION IS  
14 AVAILABLE TO CANDIDATES FOR EACH ELECTION HELD IN THIS STATE  
15 AFTER JANUARY 1, 2000.

16 (3) THE SECRETARY OF STATE SHALL ADMINISTER THE MICHIGAN  
17 PUBLIC CAMPAIGN ACT.

18 SEC. 92. (1) THE MICHIGAN PUBLIC CAMPAIGN FUND IS ESTAB-  
19 LISHED TO FINANCE THE ELECTION CAMPAIGNS OF CERTIFIED MICHIGAN  
20 PUBLIC CAMPAIGN ACT CANDIDATES RUNNING FOR THE OFFICE OF GOVER-  
21 NOR, STATE SENATOR, AND STATE REPRESENTATIVE. THE MICHIGAN  
22 PUBLIC CAMPAIGN FUND IS THE FUND FROM WHICH ADMINISTRATIVE COSTS  
23 OF THE DEPARTMENTS OF TREASURY AND STATE AND ENFORCEMENT COSTS OF  
24 THE DEPARTMENT OF STATE RELATED TO THE MICHIGAN PUBLIC CAMPAIGN  
25 ACT WILL BE PAID.

26 (2) THE STATE TREASURER SHALL ADMINISTER THE MICHIGAN PUBLIC  
27 CAMPAIGN FUND PURSUANT TO THIS ACT. THE MICHIGAN PUBLIC CAMPAIGN

1 FUND IS A SPECIAL, DEDICATED, NONLAPSING FUND AND ANY INTEREST  
2 GENERATED BY THE FUND IS CREDITED TO THE FUND.

3 (3) THE STATE TREASURER SHALL DEPOSIT ALL OF THE FOLLOWING  
4 INTO THE MICHIGAN PUBLIC CAMPAIGN FUND:

5 (A) THE QUALIFYING CONTRIBUTIONS REQUIRED UNDER SECTION 96,  
6 WHEN THOSE CONTRIBUTIONS ARE SUBMITTED TO THE STATE TREASURER.

7 (B) REVENUE PURSUANT TO SECTION 93.

8 (C) SEED MONEY CONTRIBUTIONS REMAINING UNSPENT AFTER A CAN-  
9 DIDATE HAS BEEN CERTIFIED AS A MICHIGAN PUBLIC CAMPAIGN ACT CAN-  
10 DIDATE, WHEN THOSE FUNDS ARE SUBMITTED TO THE STATE TREASURER.

11 (D) FUND REVENUES THAT WERE DISTRIBUTED TO A MICHIGAN PUBLIC  
12 CAMPAIGN ACT CANDIDATE AND THAT REMAIN UNSPENT AFTER THE CANDI-  
13 DATE HAS LOST A PRIMARY ELECTION OR AFTER ALL GENERAL ELECTIONS.

14 (E) OTHER UNSPENT FUND REVENUES DISTRIBUTED TO ANY MICHIGAN  
15 PUBLIC CAMPAIGN ACT CANDIDATE WHO DOES NOT REMAIN A CANDIDATE  
16 THROUGHOUT A PRIMARY OR GENERAL ELECTION CYCLE.

17 (F) VOLUNTARY DONATIONS MADE DIRECTLY TO THE FUND.

18 (G) FINES COLLECTED UNDER SECTION 108.

19 (4) ON OR BEFORE THE SEPTEMBER 1 IMMEDIATELY PRECEDING AN  
20 ELECTION YEAR, THE SECRETARY OF STATE SHALL PUBLISH AN ESTIMATE  
21 OF REVENUE IN THE FUND AVAILABLE FOR DISTRIBUTION TO CERTIFIED  
22 CANDIDATES DURING THE UPCOMING YEAR'S ELECTIONS.

23 SEC. 93. (1) AN INDIVIDUAL WHOSE TAX LIABILITY UNDER THE  
24 INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.1 TO 206.532, FOR A  
25 TAXABLE YEAR IS \$3.00 OR MORE MAY DESIGNATE THAT \$3.00 NOT BE  
26 CREDITED TO THE MICHIGAN PUBLIC CAMPAIGN FUND. IN THE CASE OF A  
27 JOINT RETURN OF HUSBAND AND WIFE HAVING AN INCOME TAX LIABILITY

1 OF \$6.00 OR MORE, EACH SPOUSE MAY DESIGNATE THAT \$3.00 NOT BE  
2 CREDITED TO THE MICHIGAN PUBLIC CAMPAIGN FUND.

3 (2) THE TAX DESIGNATION AUTHORIZED IN THIS SECTION SHALL BE  
4 CLEARLY AND UNAMBIGUOUSLY PRINTED ON THE FIRST PAGE OF THE STATE  
5 INDIVIDUAL INCOME TAX RETURN.

6 (3) AN AMOUNT EQUAL TO THE CUMULATIVE AMOUNTS DESIGNATED  
7 UNDER SUBSECTION (1) EACH YEAR SHALL BE APPROPRIATED ANNUALLY  
8 FROM THE GENERAL FUND OF THIS STATE TO THE MICHIGAN PUBLIC CAM-  
9 PAIGN FUND TO BE AVAILABLE BEGINNING JANUARY 1 AND CONTINUING  
10 THROUGH DECEMBER 31 OF EACH ELECTION YEAR.

11 SEC. 94. (1) TO BE ELIGIBLE FOR CERTIFICATION, A PARTICI-  
12 PATING CANDIDATE SHALL MEET BOTH OF THE FOLLOWING REQUIREMENTS:

13 (A) HE OR SHE SHALL ONLY COLLECT AND SPEND SEED MONEY CON-  
14 TRIBUTIONS DURING THE QUALIFYING PERIOD.

15 (B) HE OR SHE SHALL NOT MAKE OR CAUSE AN EXPENDITURE TO BE  
16 MADE FROM PRIVATE MONEY DEPOSITED TO HIS OR HER CANDIDATE COMMIT-  
17 TEE DURING THE CURRENT ELECTION CYCLE AND BEFORE FILING A DECLA-  
18 RATION OF INTENT PURSUANT TO SUBSECTION (3).

19 (2) A CANDIDATE SHALL NOT COLLECT OR SPEND SEED MONEY CON-  
20 TRIBUTIONS AFTER CERTIFICATION AS A MICHIGAN PUBLIC CAMPAIGN ACT  
21 CANDIDATE. THE PRIMARY PURPOSE OF A SEED MONEY CONTRIBUTION IS  
22 TO ENABLE A PARTICIPATING CANDIDATE TO COLLECT QUALIFYING  
23 CONTRIBUTIONS. A PARTICIPATING CANDIDATE SHALL REPORT SEED MONEY  
24 CONTRIBUTIONS AND EXPENDITURES ACCORDING TO PROCEDURES DEVELOPED  
25 BY THE SECRETARY OF STATE.

26 (3) A PARTICIPATING CANDIDATE SHALL FILE A DECLARATION OF  
27 INTENT TO SEEK CERTIFICATION AS A MICHIGAN PUBLIC CAMPAIGN ACT

1 CANDIDATE AND TO COMPLY WITH THE REQUIREMENTS OF THE MICHIGAN  
2 PUBLIC CAMPAIGN ACT. THE CANDIDATE SHALL FILE THE DECLARATION OF  
3 INTENT WITH THE SECRETARY OF STATE BEFORE OR DURING THE QUALIFY-  
4 ING PERIOD, EXCEPT AS OTHERWISE PROVIDED IN SECTION 103, ACCORD-  
5 ING TO FORMS AND PROCEDURES DEVELOPED BY THE SECRETARY OF STATE.  
6 A PARTICIPATING CANDIDATE SHALL FILE A DECLARATION OF INTENT  
7 BEFORE HE OR SHE COLLECTS SEED MONEY OR QUALIFYING CONTRIBUTIONS  
8 UNDER THE MICHIGAN PUBLIC CAMPAIGN ACT.

9 SEC. 95. (1) SUBSEQUENT TO BECOMING A CANDIDATE AND BEFORE  
10 CERTIFICATION, A PARTICIPATING CANDIDATE SHALL NOT ACCEPT CONTRI-  
11 BUTIONS EXCEPT FOR SEED MONEY CONTRIBUTIONS. A PARTICIPATING  
12 CANDIDATE SHALL LIMIT THE CANDIDATE'S SEED MONEY CONTRIBUTIONS TO  
13 THE FOLLOWING AMOUNTS, AS APPLICABLE:

14 (A) FOR A CANDIDATE FOR THE OFFICE OF GOVERNOR,  
15 \$100,000.00.

16 (B) FOR A CANDIDATE FOR THE OFFICE OF STATE SENATOR,  
17 \$10,000.00.

18 (C) FOR A CANDIDATE FOR THE OFFICE OF STATE REPRESENTATIVE,  
19 \$5,000.00.

20 (2) A PARTICIPATING CANDIDATE SHALL OBTAIN QUALIFYING CON-  
21 TRIBUTIONS DURING THE QUALIFYING PERIOD THAT MEET THE FOLLOWING  
22 CRITERIA, AS APPROPRIATE:

23 (A) FOR A CANDIDATE FOR THE OFFICE OF GOVERNOR, AT LEAST  
24 5,000 VERIFIED REGISTERED VOTERS OF THIS STATE MUST SUPPORT THE  
25 CANDIDACY BY PROVIDING A QUALIFYING CONTRIBUTION TO THAT  
26 CANDIDATE.

1 (B) FOR A CANDIDATE FOR THE OFFICE OF STATE SENATOR, AT  
2 LEAST 500 VERIFIED REGISTERED VOTERS FROM THAT SENATORIAL  
3 DISTRICT MUST SUPPORT THE CANDIDATE BY PROVIDING A QUALIFYING  
4 CONTRIBUTION TO THAT CANDIDATE.

5 (C) FOR A CANDIDATE FOR THE OFFICE OF STATE REPRESENTATIVE,  
6 AT LEAST 250 VERIFIED REGISTERED VOTERS FROM THAT REPRESENTATIVE  
7 DISTRICT MUST SUPPORT THE CANDIDATE BY PROVIDING A QUALIFYING  
8 CONTRIBUTION TO THAT CANDIDATE.

9 (4) A PAYMENT, GIFT, OR ANYTHING OF VALUE SHALL NOT BE GIVEN  
10 IN EXCHANGE FOR A QUALIFYING CONTRIBUTION.

11 SEC. 96. A PARTICIPATING CANDIDATE SHALL SUBMIT QUALIFYING  
12 CONTRIBUTIONS TO THE SECRETARY OF STATE DURING THE QUALIFYING  
13 PERIOD ACCORDING TO PROCEDURES DEVELOPED BY THE SECRETARY OF  
14 STATE, EXCEPT AS PROVIDED IN SECTION 103.

15 SEC. 97. (1) UPON RECEIPT OF A FINAL SUBMITTAL OF QUALIFY-  
16 ING CONTRIBUTIONS BY A PARTICIPATING CANDIDATE, THE SECRETARY OF  
17 STATE SHALL DETERMINE IF THE CANDIDATE HAS MET ALL OF THE FOLLOW-  
18 ING REQUIREMENTS:

19 (A) SIGNED AND FILED A DECLARATION OF INTENT TO PARTICIPATE  
20 IN THE MICHIGAN PUBLIC CAMPAIGN ACT.

21 (B) SUBMITTED THE APPROPRIATE NUMBER OF VALID QUALIFYING  
22 CONTRIBUTIONS.

23 (C) SUBMITTED THE APPROPRIATE SEED MONEY CONTRIBUTION AND  
24 EXPENDITURE REPORT REQUIRED UNDER SECTION 94.

25 (D) DID NOT ACCEPT CONTRIBUTIONS, EXCEPT FOR SEED MONEY CON-  
26 TRIBUTIONS, AND OTHERWISE COMPLIED WITH SEED MONEY CONTRIBUTION  
27 RESTRICTIONS.

1 (E) OTHERWISE MET THE REQUIREMENTS FOR PARTICIPATION IN THE  
2 MICHIGAN PUBLIC CAMPAIGN ACT.

3 (F) DID NOT MAKE OR CAUSE AN EXPENDITURE TO BE MADE FROM  
4 PRIVATE MONEY DEPOSITED IN HIS OR HER CANDIDATE COMMITTEE DURING  
5 THE CURRENT ELECTION CYCLE AND BEFORE FILING A DECLARATION OF  
6 INTENT TO PARTICIPATE IN THE MICHIGAN PUBLIC CAMPAIGN ACT.

7 (2) THE SECRETARY OF STATE SHALL CERTIFY A CANDIDATE WHO  
8 COMPLIES WITH THE REQUIREMENTS OF THIS SECTION AS A MICHIGAN  
9 PUBLIC CAMPAIGN ACT CANDIDATE AS SOON AS POSSIBLE AND NO LATER  
10 THAN 3 DAYS AFTER FINAL SUBMISSION OF QUALIFYING CONTRIBUTIONS.  
11 THE SECRETARY OF STATE SHALL NOTIFY A CANDIDATE WHO HAS NOT COM-  
12 PLIED WITH THE REQUIREMENTS OF THIS SECTION THAT HE OR SHE IS  
13 BEING DENIED CERTIFICATION AS A MICHIGAN PUBLIC CAMPAIGN ACT CAN-  
14 DIDATE AND THE REASONS FOR THAT DENIAL AS SOON AS POSSIBLE AND NO  
15 LATER THAN 3 DAYS AFTER FINAL SUBMISSION OF QUALIFYING  
16 CONTRIBUTIONS.

17 (3) UPON CERTIFICATION OR DENIAL OF CERTIFICATION, A CANDI-  
18 DATE SHALL PROMPTLY GIVE TO THE SECRETARY OF STATE ANY UNSPENT  
19 SEED MONEY CONTRIBUTIONS. AS SOON AS PRACTICAL AFTER RECEIPT,  
20 THE SECRETARY OF STATE SHALL TRANSMIT ALL UNSPENT SEED MONEY CON-  
21 TRIBUTIONS TO THE STATE TREASURER FOR DEPOSIT INTO THE MICHIGAN  
22 PUBLIC CAMPAIGN FUND.

23 (4) A CERTIFIED CANDIDATE SHALL COMPLY WITH ALL REQUIREMENTS  
24 OF THE MICHIGAN PUBLIC CAMPAIGN ACT AFTER CERTIFICATION AND  
25 THROUGHOUT THE PRIMARY AND GENERAL ELECTION PERIODS.

26 SEC. 98. (1) A CERTIFIED CANDIDATE SHALL LIMIT THE  
27 CANDIDATE'S CAMPAIGN EXPENDITURES AND OBLIGATIONS, INCLUDING

1 OUTSTANDING OBLIGATIONS, TO THE REVENUES DISTRIBUTED TO THE  
2 CANDIDATE FROM THE MICHIGAN PUBLIC CAMPAIGN FUND. A CERTIFIED  
3 CANDIDATE SHALL NOT ACCEPT ANY CONTRIBUTIONS UNLESS SPECIFICALLY  
4 AUTHORIZED BY THE SECRETARY OF STATE.

5 (2) A CERTIFIED CANDIDATE SHALL ONLY USE REVENUE DISTRIBUTED  
6 FROM THE FUND FOR CAMPAIGN-RELATED PURPOSES. THE SECRETARY OF  
7 STATE SHALL PUBLISH GUIDELINES OUTLINING PERMISSIBLE  
8 CAMPAIGN-RELATED EXPENDITURES.

9 SEC. 99. (1) THE SECRETARY OF STATE SHALL DIRECT THE STATE  
10 TREASURER TO DISTRIBUTE TO CERTIFIED CANDIDATES REVENUES FROM THE  
11 MICHIGAN PUBLIC CAMPAIGN FUND IN AMOUNTS DETERMINED UNDER SECTION  
12 100 IN THE FOLLOWING MANNER:

13 (A) WITHIN 3 DAYS AFTER CERTIFICATION, FOR CANDIDATES CERTI-  
14 FIED BEFORE JUNE 16 OF THE ELECTION YEAR, REVENUES FROM THE FUND  
15 SHALL BE DISTRIBUTED AS IF THE CANDIDATES ARE IN AN UNCONTESTED  
16 PRIMARY ELECTION.

17 (B) WITHIN 3 DAYS AFTER JUNE 16 OF THE ELECTION YEAR, FOR  
18 PRIMARY ELECTION CERTIFIED CANDIDATES, REVENUES FROM THE FUND  
19 SHALL BE DISTRIBUTED ACCORDING TO WHETHER THE CANDIDATE IS IN A  
20 CONTESTED OR UNCONTESTED PRIMARY ELECTION, REDUCED BY ANY AMOUNTS  
21 PREVIOUSLY DISTRIBUTED UNDER SUBDIVISION (A).

22 (C) WITHIN 3 DAYS AFTER THE PRIMARY ELECTION, FOR GENERAL  
23 ELECTION CERTIFIED CANDIDATES, REVENUES FROM THE FUND SHALL BE  
24 DISTRIBUTED ACCORDING TO WHETHER THE CANDIDATE IS IN A CONTESTED  
25 GENERAL ELECTION. FUNDS SHALL NOT BE DISTRIBUTED TO A CANDIDATE  
26 IN AN UNCONTESTED GENERAL ELECTION.

1           (2) THE STATE TREASURER MAY DISTRIBUTE REVENUE FROM THE FUND  
2 TO CERTIFIED CANDIDATES UNDER THIS SECTION BY ANY MECHANISM THAT  
3 IS EXPEDITIOUS, ENSURES ACCOUNTABILITY, AND SAFEGUARDS THE INTEG-  
4 RITY OF THE MICHIGAN PUBLIC CAMPAIGN FUND.

5           SEC. 100. (1) ON OR BEFORE JULY 1, 1999, AND ON OR BEFORE  
6 JULY 1 OF EACH FOURTH YEAR AFTER 1999, THE SECRETARY OF STATE  
7 SHALL DETERMINE THE AMOUNT OF FUNDS TO BE DISTRIBUTED TO CERTI-  
8 FIED CANDIDATES BASED UPON THE TYPE OF ELECTION AND OFFICE AS  
9 FOLLOWS:

10           (A) FOR CONTESTED PRIMARY ELECTIONS, THE AMOUNT OF REVENUES  
11 TO BE DISTRIBUTED IS THE AVERAGE AMOUNT OF CAMPAIGN EXPENDITURES  
12 MADE BY EACH CANDIDATE DURING ALL CONTESTED PRIMARY ELECTION  
13 RACES FOR THE IMMEDIATELY PRECEDING 2 PRIMARY ELECTIONS AS  
14 REPORTED IN THE INITIAL FILING PERIOD SUBSEQUENT TO THE PRIMARY  
15 ELECTION FOR THE RESPECTIVE OFFICES OF GOVERNOR, STATE SENATOR,  
16 AND STATE REPRESENTATIVE.

17           (B) FOR UNCONTESTED PRIMARY ELECTIONS, THE AMOUNT OF REVE-  
18 NUES DISTRIBUTED IS THE AVERAGE AMOUNT OF CAMPAIGN EXPENDITURES  
19 MADE BY EACH CANDIDATE DURING ALL UNCONTESTED PRIMARY ELECTION  
20 RACES, OR FOR CONTESTED RACES IF THAT AMOUNT IS LOWER, FOR THE  
21 IMMEDIATELY PRECEDING 2 PRIMARY ELECTIONS AS REPORTED IN THE INI-  
22 TIAL FILING PERIOD SUBSEQUENT TO THE PRIMARY ELECTION FOR THE  
23 RESPECTIVE OFFICES OF GOVERNOR, STATE SENATOR, AND STATE  
24 REPRESENTATIVE.

25           (C) FOR CONTESTED GENERAL ELECTIONS, THE AMOUNT OF REVENUES  
26 DISTRIBUTED IS THE AVERAGE AMOUNT OF CAMPAIGN EXPENDITURES MADE  
27 BY EACH CANDIDATE DURING ALL CONTESTED GENERAL ELECTION RACES FOR

1 THE IMMEDIATELY PRECEDING 2 GENERAL ELECTIONS AS REPORTED IN THE  
2 INITIAL FILING PERIOD SUBSEQUENT TO THE GENERAL ELECTION FOR THE  
3 RESPECTIVE OFFICES OF GOVERNOR, STATE SENATOR, AND STATE  
4 REPRESENTATIVE.

5 (2) IF THE IMMEDIATELY PRECEDING 2 ELECTION CYCLES DO NOT  
6 CONTAIN SUFFICIENT ELECTORAL DATA, THE SECRETARY OF STATE SHALL  
7 USE INFORMATION FROM THE MOST RECENT APPLICABLE ELECTIONS. FOR  
8 ONLY THE INITIAL COMPUTATIONS UNDER SUBSECTION (1) THAT ARE CON-  
9 DUCTED BY JULY 1, 1999, THE SECRETARY OF STATE SHALL REDUCE THE  
10 AMOUNTS TO BE DISTRIBUTED BY 25%.

11 SEC. 101. (1) IF A CAMPAIGN STATEMENT OR REPORT FILED UNDER  
12 THIS ACT SHOWS THAT THE SUM OF A CANDIDATE'S EXPENDITURES OR  
13 OBLIGATIONS, OR FUNDS RAISED OR BORROWED, WHICHEVER IS GREATER,  
14 ALONE OR IN CONJUNCTION WITH INDEPENDENT EXPENDITURES REPORTED  
15 UNDER SECTION 51 EXCEEDS THE DISTRIBUTION AMOUNT UNDER SECTION  
16 100, THE SECRETARY OF STATE SHALL ISSUE IMMEDIATELY TO ANY OPPOS-  
17 ING MICHIGAN PUBLIC CAMPAIGN ACT CANDIDATE AN ADDITIONAL AMOUNT  
18 EQUIVALENT TO THE REPORTED EXCESS.

19 (2) MATCHING FUNDS PROVIDED UNDER THIS SECTION ARE LIMITED  
20 TO 3 TIMES THE AMOUNT ORIGINALLY DISTRIBUTED UNDER SECTION  
21 100(1)(A) OR (C), AS APPLICABLE.

22 SEC. 102. A CANDIDATE WITHOUT POLITICAL PARTY AFFILIATION  
23 WHO IS CERTIFIED BY THE JUNE 16 IMMEDIATELY PRECEDING THE PRIMARY  
24 ELECTION IS ELIGIBLE FOR REVENUES FROM THE FUND IN THE SAME  
25 AMOUNTS AND AT THE SAME TIME AS AN UNCONTESTED PRIMARY ELECTION  
26 CANDIDATE AND A GENERAL ELECTION CANDIDATE AS SPECIFIED IN  
27 SECTIONS 99 AND 100. FOR A CANDIDATE WITHOUT POLITICAL PARTY

1 AFFILIATION WHO IS NOT CERTIFIED BY JUNE 16 AT 5 P.M., THE  
2 DEADLINE FOR FILING QUALIFYING CONTRIBUTIONS IS 5 P.M. ON THE  
3 JULY 16 IMMEDIATELY PRECEDING THE GENERAL ELECTION. A CANDIDATE  
4 WITHOUT POLITICAL PARTY AFFILIATION CERTIFIED AFTER JUNE 16 AT 5  
5 P.M. IS ELIGIBLE FOR REVENUES FROM THE FUND IN THE SAME AMOUNTS  
6 AS A GENERAL ELECTION CANDIDATE, AS SPECIFIED IN SECTIONS 99 AND  
7 100.

8 SEC. 103. THE SECRETARY OF STATE SHALL ESTABLISH BY RULE  
9 PROCEDURES FOR QUALIFICATION, REPORTING, CERTIFICATION, DISBURSE-  
10 MENT OF FUND REVENUES, AND RETURN OF UNSPENT FUND REVENUES FOR  
11 RACES INVOLVING SPECIAL ELECTIONS, RECOUNTS, VACANCIES, WITHDRAW-  
12 ALS, OR REPLACEMENT CANDIDATES.

13 SEC. 104. (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO  
14 THE CONTRARY, PARTICIPATING AND CERTIFIED CANDIDATES SHALL REPORT  
15 ANY MONEY COLLECTED, ALL CAMPAIGN EXPENDITURES, OBLIGATIONS, AND  
16 RELATED ACTIVITIES TO THE SECRETARY OF STATE ACCORDING TO PROCE-  
17 DURES DEVELOPED BY THE SECRETARY OF STATE. UPON THE FILING OF A  
18 FINAL REPORT FOR ANY PRIMARY ELECTION IN WHICH THE CANDIDATE WAS  
19 DEFEATED AND FOR ALL GENERAL ELECTIONS, THAT CANDIDATE SHALL  
20 RETURN ALL UNSPENT FUND REVENUES TO THE SECRETARY OF STATE, FOR  
21 DEPOSIT IN THE FUND.

22 (2) IN DEVELOPING THESE PROCEDURES, THE SECRETARY OF STATE  
23 SHALL UTILIZE EXISTING CAMPAIGN REPORTING PROCEDURES, WHENEVER  
24 PRACTICABLE. THE SECRETARY OF STATE SHALL ENSURE TIMELY PUBLIC  
25 ACCESS TO CAMPAIGN FINANCE DATA AND MAY UTILIZE ELECTRONIC MEANS  
26 OF REPORTING AND STORING INFORMATION. THE SECRETARY OF STATE  
27 SHALL DEVELOP AND MAKE AVAILABLE TO PARTICIPATING AND CERTIFIED

1 CANDIDATES THE NECESSARY SOFTWARE FOR FILING THE REPORTS REQUIRED  
2 UNDER THE MICHIGAN PUBLIC CAMPAIGN ACT BY ELECTRONIC MEANS.

3 SEC. 106. (1) A CANDIDATE WHO HAS BEEN DENIED CERTIFICATION  
4 AS A MICHIGAN PUBLIC CAMPAIGN ACT CANDIDATE OR THE OPPONENT OF A  
5 CANDIDATE WHO HAS BEEN GRANTED CERTIFICATION AS A MICHIGAN PUBLIC  
6 CAMPAIGN ACT CANDIDATE MAY CHALLENGE A CERTIFICATION DECISION BY  
7 THE SECRETARY OF STATE AS FOLLOWS:

8 (A) A CHALLENGER MAY APPEAL TO THE SECRETARY OF STATE WITHIN  
9 3 DAYS OF THE CERTIFICATION DECISION. THE CHALLENGER SHALL  
10 APPEAL IN WRITING AND SHALL SET FORTH THE REASONS FOR THE  
11 APPEAL.

12 (B) WITHIN 5 DAYS AFTER AN APPEAL IS PROPERLY MADE AND AFTER  
13 NOTICE IS GIVEN TO THE CHALLENGER AND ANY OPPONENT, THE SECRETARY  
14 OF STATE SHALL HOLD A HEARING. THE APPELLANT HAS THE BURDEN OF  
15 PROVIDING EVIDENCE TO DEMONSTRATE THAT THE COMMISSION DECISION  
16 WAS IMPROPER. THE SECRETARY OF STATE SHALL RULE ON THE APPEAL  
17 WITHIN 3 DAYS AFTER THE COMPLETION OF THE HEARING.

18 (C) A CHALLENGER MAY APPEAL THE DECISION OF THE SECRETARY OF  
19 STATE UNDER SUBDIVISION (B) BY COMMENCING AN ACTION IN THE COURT  
20 OF CLAIMS.

21 (D) A CANDIDATE WHOSE CERTIFICATION BY THE SECRETARY OF  
22 STATE AS A MICHIGAN PUBLIC CAMPAIGN ACT CANDIDATE IS REVOKED ON  
23 APPEAL SHALL RETURN TO THE SECRETARY OF STATE ANY UNSPENT REVE-  
24 NUES DISTRIBUTED FROM THE FUND.

25 (E) IF THE SECRETARY OF STATE OR COURT OF CLAIMS FINDS THAT  
26 AN APPEAL WAS MADE FRIVOLOUSLY OR TO CAUSE DELAY OR HARDSHIP, THE  
27 SECRETARY OF STATE OR COURT MAY REQUIRE THE MOVING PARTY TO PAY

1 COSTS OF THE SECRETARY OF STATE, COURT, AND OPPOSING PARTIES, IF  
2 ANY.

3 (2) THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306,  
4 MCL 24.201 TO 24.328, APPLIES TO THIS SECTION.

5 SEC. 107. THE SECRETARY OF STATE SHALL ADOPT RULES PURSUANT  
6 TO THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL  
7 24.201 TO 24.328, TO ENSURE EFFECTIVE ADMINISTRATION OF THE  
8 MICHIGAN PUBLIC CAMPAIGN ACT. THE SECRETARY OF STATE SHALL ADOPT  
9 RULES INCLUDING, BUT NOT LIMITED TO, PROCEDURES FOR ALL OF THE  
10 FOLLOWING:

11 (A) OBTAINING QUALIFYING CONTRIBUTIONS.

12 (B) CERTIFICATION AS A MICHIGAN PUBLIC CAMPAIGN ACT  
13 CANDIDATE.

14 (C) CIRCUMSTANCES INVOLVING SPECIAL ELECTIONS, VACANCIES,  
15 RECOUNTS, WITHDRAWALS, OR REPLACEMENTS.

16 (D) COLLECTION OF REVENUES FOR THE FUND.

17 (E) DISTRIBUTIONS OF FUND REVENUES TO CERTIFIED CANDIDATES.

18 (F) RETURN OF UNSPENT FUND DISBURSEMENTS.

19 (G) COMPLIANCE WITH THE MICHIGAN PUBLIC CAMPAIGN ACT.

20 SEC. 108. (1) A PERSON WHO VIOLATES ANY PROVISION OF THE  
21 MICHIGAN PUBLIC CAMPAIGN ACT IS SUBJECT TO A CIVIL FINE NOT TO  
22 EXCEED \$10,000.00 PER VIOLATION. THIS SANCTION IS RECOVERABLE IN  
23 A CIVIL ACTION. A FINE PAID UNDER THIS SECTION SHALL BE DEPOS-  
24 ITED IN THE FUND.

25 (2) IN ADDITION TO ANY FINE, FOR GOOD CAUSE SHOWN, A CANDI-  
26 DATE FOUND IN VIOLATION OF THE MICHIGAN PUBLIC CAMPAIGN ACT MAY

1 BE REQUIRED TO RETURN TO THE FUND ALL AMOUNTS DISTRIBUTED TO THE  
2 CANDIDATE FROM THE FUND.

3 (3) IF THE SECRETARY OF STATE MAKES A DETERMINATION THAT A  
4 VIOLATION OF THE MICHIGAN PUBLIC CAMPAIGN ACT HAS OCCURRED, THE  
5 SECRETARY OF STATE SHALL ASSESS A FINE OR TRANSMIT THE FINDING TO  
6 THE ATTORNEY GENERAL FOR PROSECUTION.

7 (4) A PERSON WHO KNOWINGLY VIOLATES THE MICHIGAN PUBLIC CAM-  
8 PAIGN ACT OR RULES PROMULGATED BY THE SECRETARY OF STATE OR WHO  
9 KNOWINGLY MAKES A FALSE STATEMENT IN ANY REPORT REQUIRED BY THE  
10 MICHIGAN PUBLIC CAMPAIGN ACT IS GUILTY OF A MISDEMEANOR PUNISH-  
11 ABLE, IF THE PERSON IS AN INDIVIDUAL, BY A FINE OF NOT MORE THAN  
12 \$1,000.00 OR IMPRISONMENT FOR NOT MORE THAN 90 DAYS, OR BOTH, OR,  
13 IF THE PERSON IS NOT AN INDIVIDUAL, BY A FINE OF NOT MORE THAN  
14 \$10,000.00. IF THE PERSON DESCRIBED IN THIS SUBSECTION IS A CER-  
15 TIFIED MICHIGAN PUBLIC CAMPAIGN ACT CANDIDATE, THAT PERSON SHALL  
16 RETURN TO THE FUND ALL AMOUNTS DISTRIBUTED TO THE CANDIDATE.

17 (5) THE PENALTIES AND REMEDIES UNDER THE MICHIGAN PUBLIC  
18 CAMPAIGN ACT ARE CUMULATIVE AND INDEPENDENT AND THE USE OF PENAL-  
19 TIES OR REMEDIES, OR BOTH, UNDER THE MICHIGAN PUBLIC CAMPAIGN ACT  
20 DOES NOT PROHIBIT THE PROSECUTION OR AN ACTION TO RECOVER DAMAGES  
21 FOR CONDUCT PROSCRIBED UNDER THE MICHIGAN CAMPAIGN FINANCE ACT OR  
22 ANY OTHER APPLICABLE LAW.

23 SEC. 109. ON OR BEFORE JANUARY 30, 2002, AND ON OR BEFORE  
24 JANUARY 30 IN EVERY SECOND YEAR AFTER 2002, THE SECRETARY OF  
25 STATE SHALL PREPARE FOR THE HOUSE OVERSIGHT COMMITTEE AND THE  
26 SENATE GOVERNMENT OPERATIONS COMMITTEE A REPORT DOCUMENTING,  
27 EVALUATING, AND MAKING RECOMMENDATIONS RELATING TO THE

1 ADMINISTRATION, IMPLEMENTATION, AND ENFORCEMENT OF THE MICHIGAN  
2 PUBLIC CAMPAIGN ACT AND MICHIGAN PUBLIC CAMPAIGN FUND.

3       Enacting section 1. Sections 61 to 69 of the Michigan cam-  
4 paign finance act, 1976 PA 388, MCL 169.261 to 169.269, are  
5 repealed.