

SENATE BILL NO. 38

January 26, 1999, Introduced by Senator A. SMITH and referred to the Committee on Government Operations.

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending sections 5, 7, 9, 12, 45, 61, 62, 63, 64, 65, 66, 67, and 69 (MCL 169.205, 169.207, 169.209, 169.212, 169.245, 169.261, 169.262, 169.263, 169.264, 169.265, 169.266, 169.267, and 169.269), sections 5 and 12 as amended by 1995 PA 264, section 7 as amended by 1994 PA 385, sections 9, 45, and 69 as amended by 1996 PA 590, sections 61, 64, and 65 as amended by 1993 PA 262, and sections 66 and 67 as amended by 1994 PA 411, and by adding sections 72, 73, 74, 75, 76, 77, 78, and 79.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. (1) "Domestic dependent sovereign" means an Indian
2 tribe that has been acknowledged, recognized, restored, or
3 reaffirmed as an Indian tribe by the secretary of the interior
4 pursuant to chapter 576, 48 Stat. 984, 25 U.S.C. 461 to 463, 464

1 to 465, 466 to 470, 471 to 472, 473, 474 to 475, 476 to 478, and
2 479, commonly referred to as the Indian reorganization act, or
3 has otherwise been acknowledged by the United States government
4 as an Indian tribe.

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

9 (3) "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 general election in
13 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 called or the date the office becomes
16 vacant, whichever is earlier, and ending on the day of the spe-
17 cial general election.

18 (4) "Elective office" means a public office filled by an
19 election, except for federal offices. A person who is appointed
20 to fill a vacancy in a public office that is ordinarily elective
21 holds an elective office. Elective office does not include the
22 office of precinct delegate. Except for the purposes of
23 sections 47, 54, and 55, elective office does not include a
24 school board member in a school district that has a pupil member-
25 ship of 2,400 or less enrolled on the most recent pupil member-
26 ship count day. However, elective office includes a school board
27 member in a school district that has a pupil membership of 2,400

1 or less, if a candidate committee of a candidate for the office
2 of school board member in that school district receives an amount
3 in excess of \$1,000.00 or expends an amount in excess of
4 \$1,000.00.

5 (5) "ELIGIBLE CANDIDATE FOR GOVERNOR" MEANS A CANDIDATE FOR
6 THE OFFICE OF GOVERNOR WHO IS ELIGIBLE TO RECEIVE MONEY FROM THE
7 GUBERNATORIAL CAMPAIGN FUND PURSUANT TO THIS ACT.

8 (6) "ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE" MEANS A CAN-
9 DIDATE FOR THE OFFICE OF STATE REPRESENTATIVE OR STATE SENATOR
10 WHO IS ELIGIBLE TO RECEIVE MONEY FROM THE LEGISLATIVE CAMPAIGN
11 FUND PURSUANT TO THIS ACT.

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

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

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

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

25 (5) "Gift" means a payment, subscription, advance, forbear-
26 ance, rendering, or deposit of money, services, or anything of

1 value, unless consideration of equal or greater value is given in
2 exchange.

3 (6) "GUBERNATORIAL CAMPAIGN FUND" MEANS THE GUBERNATORIAL
4 CAMPAIGN FUND CREATED BY SECTION 61.

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.

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

21 (4) "LEGISLATIVE CAMPAIGN FUND" MEANS THE LEGISLATIVE CAM-
22 PAIGN FUND CREATED BY SECTION 72.

23 (5) ~~(4)~~ "Loan" means a transfer of money, property, or
24 anything of ascertainable monetary value in exchange for an obli-
25 gation, conditional or not, to repay in whole or part.

26 (6) ~~(5)~~ "Local elective office" means an elective office
27 at the local unit of government level. Local elective office

1 also includes judge of the court of appeals, judge of the circuit
2 court, judge of the recorder's court of the city of Detroit,
3 judge of the district court, judge of the probate court, and
4 judge of a municipal court.

5 (7) ~~(6)~~ "Local unit of government" means a district,
6 authority, county, city, village, township, board, school dis-
7 trict, intermediate school district, or community college
8 district.

9 Sec. 12. (1) ~~"Qualifying"~~ "QUALIFIED CAMPAIGN EXPENDITURE"
10 MEANS AN EXPENDITURE FOR SERVICES, MATERIALS, FACILITIES, OR
11 OTHER THINGS OF VALUE BY THE CANDIDATE COMMITTEE TO FURTHER THE
12 CANDIDATE'S NOMINATION OR ELECTION TO OFFICE DURING THE YEAR IN
13 WHICH THE PRIMARY, SPECIAL, OR GENERAL ELECTION IN WHICH THE CAN-
14 DIDATE SEEKS NOMINATION OR ELECTION IS HELD. QUALIFIED CAMPAIGN
15 EXPENDITURE DOES NOT INCLUDE:

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

18 (B) A PAYMENT MADE TO AN ELIGIBLE CANDIDATE FOR GOVERNOR OR
19 AN ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE, TO A RELATIVE
20 WITHIN THE THIRD DEGREE OF CONSANGUINITY OF THE ELIGIBLE CANDI-
21 DATE, OR TO A BUSINESS WITH WHICH THE ELIGIBLE CANDIDATE OR THE
22 RELATIVE IS ASSOCIATED.

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

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

1 (E) PAYMENT FROM PETTY CASH.

2 (F) GIFTS, EXCEPT BROCHURES, BUTTONS, SIGNS, AND OTHER
3 PRINTED CAMPAIGN MATERIAL.

4 (G) PAYMENT TO A DEFENSE FUND.

5 (2) "QUALIFIED contribution" means a contribution of money
6 made by a written instrument by an individual to the candidate
7 committee of a candidate for the office of governor OR A CANDI-
8 DATE FOR LEGISLATIVE OFFICE that is \$100.00 or less and made
9 after April 1 of the year preceding a year in which a ~~governor~~
10 PERSON is to be elected TO THAT OFFICE. Not more than \$100.00 of
11 an individual's total aggregate contribution may be used as a
12 ~~qualifying~~ QUALIFIED contribution in any calendar year.

13 ~~Qualifying~~ QUALIFIED contribution does not include a subscrip-
14 tion, loan, advance, deposit of money, in-kind contribution or
15 expenditure, or anything else of value except as prescribed in
16 this act. ~~Qualifying~~ QUALIFIED contribution does not include a
17 contribution by an individual who resides outside of this state.
18 For purposes of this subsection, an individual is considered to
19 reside in this state if he or she is considered a resident of
20 this state under the Michigan election law, ~~Act No. 116 of the~~
21 ~~Public Acts of 1954, being sections 168.1 to 168.992 of the~~
22 ~~Michigan Compiled Laws~~ 1954 PA 116, MCL 168.1 TO 168.992.

23 (3) ~~(2)~~ "Senate political party caucus committee" means an
24 independent committee established by a political party caucus of
25 the state senate under section 24a.

26 (4) ~~(3)~~ "State elective office" means the office of
27 governor, lieutenant governor, secretary of state, attorney

1 general, justice of the supreme court, member of the state board
2 of education, regent of the university of Michigan, member of the
3 board of trustees of Michigan state university, member of the
4 board of governors of Wayne state university, and member of the
5 state legislature.

6 Sec. 45. (1) A person may transfer any unexpended funds
7 from 1 candidate committee to another candidate committee of that
8 person if the contribution limits prescribed in section 52 or 69
9 for the candidate committee receiving the funds are equal to or
10 greater than the contribution limits for the candidate committee
11 transferring the funds and if the candidate committees are simul-
12 taneously held by the same person. The funds being transferred
13 shall not be considered a ~~qualifying~~ QUALIFIED contribution
14 regardless of the amount of the individual contribution being
15 transferred.

16 (2) Upon termination of a candidate committee, unexpended
17 funds in the candidate committee that are not eligible for trans-
18 fer to another candidate committee of the person under subsection
19 (1) shall be disbursed as follows:

20 (a) Given to a political party committee.

21 (b) Given to a tax exempt charitable organization, as long
22 as the candidate does not become an officer or director of or
23 receive compensation, either directly or indirectly, from that
24 organization.

25 (c) Returned to the contributors of the funds upon termina-
26 tion of the campaign committee.

1 (d) If the person was a candidate for the office of state
2 representative, given to a house political party caucus
3 committee.

4 (e) If the person was a candidate for the office of state
5 senator, given to a senate political party caucus committee.

6 (f) Given to an independent committee.

7 (g) Given to a ballot question committee.

8 Sec. 61. (1) The ~~state~~ GUBERNATORIAL campaign fund is
9 ~~hereby~~ created. The state treasurer shall administer the
10 ~~state~~ GUBERNATORIAL campaign fund pursuant to this ~~act~~
11 SECTION AND SECTIONS 62 TO 71.

12 (2) An individual whose tax liability under the income tax
13 act of 1967, ~~Act No. 281 of the Public Acts of 1967, as amended,~~
14 ~~being sections 206.1 to 206.532 of the Michigan Compiled Laws~~
15 1967 PA 281, MCL 206.1 TO 206.532, for a taxable year is \$3.00 or
16 more may designate that \$3.00 be credited to the ~~state~~
17 GUBERNATORIAL campaign fund. In the case of a joint return of
18 husband and wife having an income tax liability of \$6.00 or more,
19 each spouse may designate that \$3.00 be credited to the ~~state~~
20 GUBERNATORIAL campaign fund.

21 (3) The tax designation authorized in this section shall be
22 clearly and unambiguously printed on the first page of the state
23 individual income tax return.

24 (4) An amount equal to the cumulative amounts designated
25 under subsection (2) each year shall be appropriated annually
26 from the general fund of the state to the ~~state~~ GUBERNATORIAL
27 campaign fund. ~~to~~ THE AMOUNTS APPROPRIATED TO THE GUBERNATORIAL

1 CAMPAIGN FUND UNDER THIS SUBSECTION SHALL be available beginning
2 January 1 and continuing through December 31 of each year in
3 which a governor is elected. ~~The~~ EXCEPT AS OTHERWISE PROVIDED
4 IN THIS SUBSECTION, THE amounts appropriated under this section
5 shall not revert to the general fund but shall remain available
6 to the ~~state~~ GUBERNATORIAL campaign fund for distribution with-
7 out fiscal year limitation. ~~except that any~~ ANY amounts remain-
8 ing in the ~~state~~ GUBERNATORIAL campaign fund in excess of
9 \$10,000,000.00 on December 31 immediately following a gubernato-
10 rial general election shall revert to the general fund.

11 (5) Before the distribution of funds under this act to
12 ~~qualifying~~ ELIGIBLE primary election candidates FOR GOVERNOR,
13 the state treasurer shall set aside sufficient funds from the
14 ~~state~~ GUBERNATORIAL campaign fund to fully implement the for-
15 mula for distributing funds to ~~qualifying~~ ELIGIBLE general
16 election candidates FOR GOVERNOR. If insufficient funds exist in
17 the ~~state~~ GUBERNATORIAL campaign fund to provide full funding
18 to eligible primary election candidates FOR GOVERNOR, the
19 GUBERNATORIAL campaign funds shall be distributed to ~~those~~
20 ELIGIBLE PRIMARY ELECTION candidates FOR GOVERNOR on a pro rata
21 basis.

22 Sec. 62. (1) Only a candidate FOR THE OFFICE OF GOVERNOR
23 who established a single candidate committee ~~which~~ THAT submit-
24 ted a statement of organization according to procedures estab-
25 lished by ~~law~~ THIS ACT may receive ~~moneys~~ MONEY under this
26 act. ~~Moneys~~ MONEY received by ~~a~~ AN ELIGIBLE candidate FOR
27 GOVERNOR pursuant to ~~this act~~ SECTION 63 shall be spent only

1 through the candidate committee and shall be reported by the
2 candidate committee according to procedures established by ~~law~~
3 THIS ACT.

4 (2) If a candidate FOR THE OFFICE OF GOVERNOR desires to
5 receive ~~moneys~~ MONEY from the ~~state~~ GUBERNATORIAL campaign
6 fund, the candidate shall file a statement of organization indi-
7 cating the intent to seek ~~qualifying~~ QUALIFIED contributions
8 ~~or~~ AND to make ~~qualifying~~ QUALIFIED CAMPAIGN expenditures.
9 Contributions received or expenditures made before the filing of
10 a statement of organization for the office of governor shall not
11 be considered as a ~~qualifying~~ QUALIFIED contribution OR QUALI-
12 FIED CAMPAIGN EXPENDITURE.

13 (3) A candidate FOR THE OFFICE OF GOVERNOR who does not
14 apply for ~~moneys~~ MONEY from the ~~state~~ GUBERNATORIAL campaign
15 fund is not subject to sections 61 to 71.

16 Sec. 63. (1) The secretary of state shall receive and keep
17 a record of ~~each candidate's~~ THE certified statements of
18 ~~qualifying~~ QUALIFIED contributions OF EACH ELIGIBLE CANDIDATE
19 FOR GOVERNOR. A statement shall include in alphabetical order
20 the full name and street address of each person from whom a
21 ~~qualifying~~ QUALIFIED contribution is received during the
22 reporting period, together with the amount of each contribution
23 and the date received by the treasurer of the committee.

24 (2) The secretary of state shall promptly notify a candidate
25 for ~~nomination for~~ THE OFFICE OF governor when that candidate
26 ~~qualifies~~ IS ELIGIBLE under this act to receive ~~moneys~~ MONEY
27 from the ~~state~~ GUBERNATORIAL campaign fund.

1 (3) If a candidate FOR THE OFFICE OF GOVERNOR desires to
2 receive ~~moneys~~ MONEY from the ~~state~~ GUBERNATORIAL campaign
3 fund and HAS received notice of ~~qualification~~ ELIGIBILITY for
4 funding under subsection (2), the ELIGIBLE candidate FOR GOVERNOR
5 shall apply to the secretary of state. The ELIGIBLE candidate
6 FOR GOVERNOR shall state the amount of ~~moneys~~ MONEY desired
7 from the ~~state~~ GUBERNATORIAL campaign fund in the application.
8 The ELIGIBLE candidate FOR GOVERNOR shall state in the applica-
9 tion for ~~state~~ GUBERNATORIAL campaign fund money that the
10 ELIGIBLE candidate FOR GOVERNOR and the candidate's committee
11 agree to adhere to expenditure limitations stated in section 67.

12 (4) The secretary of state shall determine the maximum
13 amount for which the ELIGIBLE candidate FOR GOVERNOR qualifies
14 under this ~~act~~ SECTION AND SECTIONS 64 AND 65. The secretary
15 of state shall forward information as to this amount and the
16 application for funding to the state treasurer.

17 (5) The state treasurer shall issue a warrant drawn on the
18 ~~state~~ GUBERNATORIAL campaign fund for an amount equal to the
19 maximum amount ~~which~~ THAT the candidate FOR GOVERNOR is
20 ~~qualified~~ ELIGIBLE to receive or the amount applied for, which-
21 ever is less. The warrant shall not be issued before January 1
22 of the year in which the GENERAL election for governor is to be
23 held.

24 Sec. 64. (1) ~~A~~ AN ELIGIBLE candidate FOR GOVERNOR in a
25 primary election may obtain funds from the ~~state~~ GUBERNATORIAL
26 campaign fund in an amount equal to \$2.00 for each \$1.00 of
27 ~~qualifying~~ QUALIFIED contribution if the ELIGIBLE candidate FOR

1 GOVERNOR certifies to the secretary of state both of the
2 following:

3 (a) That the candidate committee of the ELIGIBLE candidate
4 FOR GOVERNOR received \$75,000.00 or more of ~~qualifying~~
5 QUALIFIED contributions.

6 (b) That the full name and address of each person making a
7 ~~qualifying~~ QUALIFIED contribution is recorded by the candidate
8 committee of the ELIGIBLE candidate ~~certifying~~ FOR GOVERNOR
9 MAKING THE CERTIFICATION. This requirement is in addition to and
10 not in lieu of any other requirements relating to the recording
11 and reporting of contributions.

12 (2) A candidate FOR THE OFFICE OF GOVERNOR is not entitled
13 to funds from the ~~state~~ GUBERNATORIAL campaign fund for a pri-
14 mary election if it is determined the name of the candidate FOR
15 THE OFFICE OF GOVERNOR is ineligible to appear on the primary
16 election ballot pursuant to section 53 of the Michigan election
17 law, ~~Act No. 116 of the Public Acts of 1954, as amended, being~~
18 ~~section 168.53 of the Michigan Compiled Laws~~ 1954 PA 116, MCL
19 168.53. A candidate who does not file nominating petitions for
20 the office of governor or who files an insufficient petition for
21 that office shall return all funds received from the ~~state~~
22 GUBERNATORIAL campaign fund for that primary election.

23 (3) A candidate FOR THE OFFICE OF GOVERNOR shall not receive
24 from the ~~state~~ GUBERNATORIAL campaign fund for a primary more
25 than \$990,000.00.

26 (4) For purposes of this section, primary election is the
27 election described in section 52 of ~~Act No. 116 of the Public~~

1 ~~Acts of 1954, as amended, being section 168.52 of the Michigan~~
2 ~~Compiled Laws~~ THE MICHIGAN ELECTION LAW, 1954 PA 116, MCL
3 168.52.

4 Sec. 65. (1) A major political party nominee FOR THE OFFICE
5 OF GOVERNOR is entitled to an amount from the ~~state~~
6 GUBERNATORIAL campaign fund of not more than \$1,125,000.00 for a
7 general election. A candidate FOR THE OFFICE OF GOVERNOR,
8 subject to ~~law~~ THIS ACT, may raise the remaining amount of the
9 permissible expenditure limit in private contributions. An eli-
10 gible candidate FOR GOVERNOR in a general election may elect to
11 accept partial payment of money from the ~~state~~ GUBERNATORIAL
12 campaign fund and instead raise private contributions as provided
13 by ~~law~~ THIS ACT that, when added to the amount received from
14 the ~~state~~ GUBERNATORIAL campaign fund, do not exceed the expen-
15 diture limit designated in section 67.

16 (2) A minor political party nominee FOR THE OFFICE OF
17 GOVERNOR whose party received 5% or more of the vote for the same
18 office in the last election is entitled to an amount from the
19 ~~state~~ GUBERNATORIAL campaign fund of not more than
20 \$1,125,000.00, multiplied by the number of popular votes the
21 minor party received in the preceding general election for gover-
22 nor and then divided by the average number of votes the major
23 parties received in that general election for governor.

24 (3) A minor political party nominee FOR THE OFFICE OF
25 GOVERNOR not eligible under subsection (2) but who receives more
26 than 5% of the vote in that general election for governor is
27 entitled to reimbursement from the ~~state~~ GUBERNATORIAL campaign

1 fund in an amount of not more than \$1,125,000.00, multiplied by
2 the number of popular votes the minor party received in the pre-
3 ceding general election for governor and then divided by the
4 average number of votes the major parties received in that gen-
5 eral election for governor.

6 (4) A minor political party nominee FOR THE OFFICE OF
7 GOVERNOR qualified under subsection (2) who receives more popular
8 votes in an election than the candidate of that minor political
9 party received at the preceding GENERAL election is entitled to
10 additional reimbursement from the ~~state~~ GUBERNATORIAL campaign
11 fund in an amount determined as follows:

12 (a) Compute the amount that the candidate FOR THE OFFICE OF
13 GOVERNOR would have received under subsection (3) had the candi-
14 date otherwise qualified.

15 (b) Subtract the amount received under subsection (2) from
16 the amount computed under subdivision (a).

17 (5) ~~A~~ AN ELIGIBLE candidate FOR GOVERNOR listed on the
18 ballot in the general election is entitled to \$1.00 for each
19 \$1.00 of ~~qualifying~~ QUALIFIED contributions certified to the
20 secretary of state pursuant to this act up to \$750,000.00, if the
21 candidate has certified to the secretary of state \$75,000.00 or
22 more in ~~qualifying~~ QUALIFIED contributions. ~~A~~ AN ELIGIBLE
23 candidate FOR GOVERNOR who chooses to receive ~~any~~ public funds
24 under this subsection shall not receive any money under subsec-
25 tion (1), (2), (3), or (4).

26 (6) A major political party nominee FOR THE OFFICE OF
27 GOVERNOR shall receive from the state treasurer \$56,250.00 of the

1 funds that the ELIGIBLE candidate FOR GOVERNOR may be entitled to
2 under this section not later than 10 days after the primary elec-
3 tion, unless there is less than a 2% difference in vote totals of
4 the top 2 primary election candidates of the same political party
5 according to unofficial vote totals available to the secretary of
6 state. The balance of any funds owed to a major political party
7 nominee FOR THE OFFICE OF GOVERNOR under this section shall be
8 payable by the state treasurer within 3 days after the board of
9 state canvassers' certification of the primary election results,
10 but not later than 30 days after the primary election. Any funds
11 paid to a major political party nominee FOR THE OFFICE OF
12 GOVERNOR under this section either erroneously or based on elec-
13 tion results that are reversed due to a recount or fraud shall be
14 repaid by that major political party nominee FOR THE OFFICE OF
15 GOVERNOR to the state treasurer within 60 days of receipt of
16 notification by certified mail from the state treasurer.

17 Sec. 66. (1) ~~A~~ AN ELIGIBLE candidate FOR GOVERNOR may
18 only apply the funds received under this act from the ~~state~~
19 GUBERNATORIAL campaign fund against qualified campaign
20 expenditures.

21 ~~(2) As used in this section, "qualified campaign~~
22 ~~expenditure" means an expenditure for services, materials, facil-~~
23 ~~ities, or other things of value by the candidate committee to~~
24 ~~further the candidate's nomination or election to office during~~
25 ~~the year in which the primary or general election in which the~~
26 ~~candidate seeks nomination or election is held. Qualified~~
27 ~~campaign expenditure does 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 inciden-~~
16 ~~tal expense under section 21a.~~

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

1 (3) ~~(4)~~ A person who knowingly violates this section is
2 guilty of a felony punishable, if the person is an individual, by
3 a fine of not more than \$2,000.00, or imprisonment for not more
4 than 3 years, or both, or, if the person not an individual, by a
5 fine of not more than \$10,000.00.

6 Sec. 67. (1) Expenditures made by a candidate committee to
7 further the nomination or election of ~~a~~ AN ELIGIBLE candidate
8 ~~may~~ FOR GOVERNOR SHALL not exceed \$2,000,000.00 in the aggre-
9 gate for 1 election. An expenditure by a candidate committee for
10 an incidental expense under section 21a is not considered an
11 expenditure for the purposes of the expenditure limitations set
12 forth in this subsection.

13 (2) An expenditure by a candidate committee to purchase
14 space in a newspaper or other periodical or time on radio or
15 television for the purpose of responding to an editorial in the
16 same newspaper or periodical or on the same station or channel
17 that was unfavorable to the committee's candidate FOR THE OFFICE
18 OF GOVERNOR or that endorsed the candidate's opponent is not con-
19 sidered an expenditure for the purposes of the expenditure limi-
20 tations set forth in subsection (1). This subsection only
21 applies to 1 response made to a particular editorial, unfavorable
22 report, or endorsement of an opponent and does not apply unless
23 the candidate is refused free space or time in which to answer.

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

1 (4) If a person ~~who is~~ subject to this section is found
2 guilty OF VIOLATING THIS SECTION, the circuit court, on
3 application by the attorney general, may prohibit that person
4 from assuming the duties of a public office or from receiving
5 compensation from public funds, or both.

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

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

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

18 (4) A political party committee that is a congressional dis-
19 trict or county committee shall not make contributions to a can-
20 didate committee that for an election cycle are more than
21 \$30,000.00.

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

25 (6) As used in this subsection, "immediate family" means a
26 spouse, parent, brother, sister, son, or daughter. A candidate
27 and members of that candidate's immediate family may not

1 contribute in total to that person's candidate committee an
2 amount that is more than \$50,000.00 in value for an election
3 cycle.

4 (7) Sections 5(3) and 52(6) apply to determining when an
5 election cycle begins and ends and to which election cycle a par-
6 ticular contribution is attributed.

7 (8) The candidate committee of a candidate for governor that
8 does not apply for funds from the ~~state~~ GUBERNATORIAL campaign
9 fund and that accepts from the candidate and the candidate's
10 immediate family contributions that total for an election cycle
11 more than \$340,000.00 shall notify the secretary of state in
12 writing within 48 hours after receipt of this amount. Within
13 2 business days after receipt of this notice, the secretary of
14 state shall send notice to all candidates who are either seeking
15 the same nomination, in the case of a primary election, or elec-
16 tion to that same office, in the case of a general election,
17 informing those candidate committees of all of the following:

18 (a) That the expenditure limits provided in section 67 are
19 waived for the remainder of that election for those notified can-
20 didate committees that receive funds from the ~~state~~
21 GUBERNATORIAL campaign fund under this act.

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

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

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

3 SEC. 72. (1) THE LEGISLATIVE CAMPAIGN FUND IS CREATED. THE
4 STATE TREASURER SHALL ADMINISTER THE LEGISLATIVE CAMPAIGN FUND
5 PURSUANT TO THIS SECTION AND SECTIONS 73 TO 79. MONEY IN THE
6 LEGISLATIVE CAMPAIGN FUND SHALL NOT REVERT TO THE GENERAL FUND AT
7 THE CLOSE OF THE FISCAL YEAR BUT SHALL REMAIN IN THE FUND. THE
8 LEGISLATURE SHALL DETERMINE THE SOURCE OF MONEY TO FUND THE LEG-
9 ISLATIVE CAMPAIGN FUND.

10 (2) IF INSUFFICIENT FUNDS EXIST IN THE LEGISLATIVE CAMPAIGN
11 FUND TO PROVIDE FULL FUNDING TO ELIGIBLE CANDIDATES FOR LEGISLA-
12 TIVE OFFICE, THE STATE TREASURER SHALL DISTRIBUTE LEGISLATIVE
13 CAMPAIGN FUND MONEY TO ELIGIBLE CANDIDATES FOR LEGISLATIVE OFFICE
14 ON A PRO RATA BASIS.

15 SEC. 73. (1) ONLY A CANDIDATE FOR LEGISLATIVE OFFICE WHO
16 ESTABLISHES A SINGLE CANDIDATE COMMITTEE THAT SUBMITS A STATEMENT
17 OF ORGANIZATION ACCORDING TO PROCEDURES ESTABLISHED BY THIS ACT
18 MAY RECEIVE LEGISLATIVE CAMPAIGN FUND MONEY UNDER THIS ACT. AN
19 ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE WHO RECEIVES LEGISLA-
20 TIVE CAMPAIGN FUND MONEY UNDER SECTION 74 SHALL SPEND THE MONEY
21 ONLY THROUGH THE CANDIDATE COMMITTEE AND SHALL REPORT THE EXPEN-
22 DITURES ACCORDING TO PROCEDURES ESTABLISHED BY THIS ACT.

23 (2) IF A CANDIDATE FOR LEGISLATIVE OFFICE DESIRES TO RECEIVE
24 MONEY FROM THE LEGISLATIVE CAMPAIGN FUND, THE CANDIDATE SHALL
25 FILE A STATEMENT OF ORGANIZATION INDICATING THE INTENT TO SEEK
26 QUALIFIED CONTRIBUTIONS OR TO MAKE QUALIFIED CAMPAIGN
27 EXPENDITURES. A CONTRIBUTION RECEIVED OR EXPENDITURE MADE BEFORE

1 THE FILING OF A STATEMENT OF ORGANIZATION FOR THE LEGISLATIVE
2 OFFICE BEING SOUGHT SHALL NOT BE CONSIDERED A QUALIFIED CONTRIBU-
3 TION OR QUALIFIED CAMPAIGN EXPENDITURE UNDER THIS ACT.

4 (3) A CANDIDATE FOR LEGISLATIVE OFFICE WHO DOES NOT APPLY
5 FOR MONEY FROM THE LEGISLATIVE CAMPAIGN FUND IS NOT SUBJECT TO
6 SECTIONS 72 TO 79.

7 SEC. 74. (1) THE SECRETARY OF STATE SHALL RECEIVE AND KEEP
8 A RECORD OF THE CERTIFIED STATEMENTS OF QUALIFIED CONTRIBUTIONS
9 OF EACH ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE REQUIRED UNDER
10 SECTION 75. AN ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE SHALL
11 INCLUDE IN THE STATEMENT, IN ALPHABETICAL ORDER, THE FULL NAME
12 AND STREET ADDRESS OF EACH PERSON FROM WHOM A QUALIFIED CONTRIBU-
13 TION IS RECEIVED DURING THE REPORTING PERIOD, TOGETHER WITH THE
14 AMOUNT OF EACH CONTRIBUTION AND THE DATE RECEIVED BY THE TREA-
15 SURER OF THE CANDIDATE COMMITTEE.

16 (2) THE SECRETARY OF STATE SHALL PROMPTLY NOTIFY A CANDIDATE
17 FOR LEGISLATIVE OFFICE WHEN THAT CANDIDATE IS ELIGIBLE UNDER THIS
18 ACT TO RECEIVE MONEY FROM THE LEGISLATIVE CAMPAIGN FUND.

19 (3) IF A CANDIDATE FOR LEGISLATIVE OFFICE DESIRES TO RECEIVE
20 MONEY FROM THE LEGISLATIVE CAMPAIGN FUND AND HAS RECEIVED NOTICE
21 OF ELIGIBILITY FOR FUNDING UNDER SUBSECTION (2), THE ELIGIBLE
22 CANDIDATE FOR LEGISLATIVE OFFICE SHALL APPLY TO THE SECRETARY OF
23 STATE. THE ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE SHALL STATE
24 THE AMOUNT OF MONEY DESIRED FROM THE LEGISLATIVE CAMPAIGN FUND IN
25 THE APPLICATION. THE ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE
26 SHALL STATE IN THE APPLICATION FOR LEGISLATIVE CAMPAIGN FUND
27 MONEY THAT THE ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE AND THE

1 CANDIDATE'S COMMITTEE AGREE TO ADHERE TO THE EXPENDITURE
2 LIMITATIONS DESIGNATED IN SECTION 78.

3 (4) THE SECRETARY OF STATE SHALL DETERMINE THE MAXIMUM
4 AMOUNT FOR WHICH THE ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE
5 QUALIFIES UNDER THIS SECTION AND SECTION 75. THE SECRETARY OF
6 STATE SHALL FORWARD INFORMATION AS TO THIS AMOUNT AND THE APPLI-
7 CATION FOR FUNDING TO THE STATE TREASURER.

8 (5) THE STATE TREASURER SHALL ISSUE A WARRANT DRAWN ON THE
9 LEGISLATIVE CAMPAIGN FUND FOR AN AMOUNT EQUAL TO THE MAXIMUM
10 AMOUNT THAT THE CANDIDATE FOR LEGISLATIVE OFFICE IS ELIGIBLE TO
11 RECEIVE OR THE AMOUNT APPLIED FOR, WHICHEVER IS LESS. FOR A CAN-
12 DIDATE FOR STATE REPRESENTATIVE, THE WARRANT SHALL NOT BE ISSUED
13 BEFORE JANUARY 1 OF THE YEAR IN WHICH THE GENERAL NOVEMBER ELEC-
14 TION IS TO BE HELD. FOR A CANDIDATE FOR STATE SENATOR, THE WAR-
15 RANT SHALL NOT BE ISSUED BEFORE JANUARY 1 OF THE YEAR IN WHICH
16 SENATORS ARE ELECTED IN A GENERAL NOVEMBER ELECTION.

17 SEC. 75. (1) AN ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE
18 IN AN ELECTION CYCLE MAY OBTAIN FUNDS FROM THE LEGISLATIVE CAM-
19 PAIGN FUND IN AN AMOUNT EQUAL TO \$2.00 FOR EACH \$1.00 OF QUALI-
20 FIED CONTRIBUTION, IF THE ELIGIBLE CANDIDATE FOR LEGISLATIVE
21 OFFICE CERTIFIES TO THE SECRETARY OF STATE BOTH OF THE
22 FOLLOWING:

23 (A) THAT THE CANDIDATE COMMITTEE OF THE ELIGIBLE CANDIDATE
24 FOR STATE REPRESENTATIVE RECEIVED \$3,000.00 OR MORE OF QUALIFIED
25 CONTRIBUTIONS OR THAT THE CANDIDATE COMMITTEE OF THE ELIGIBLE
26 CANDIDATE FOR SENATE RECEIVED \$7,500.00 OR MORE OF QUALIFIED
27 CONTRIBUTIONS.

1 (B) THAT THE FULL NAME AND ADDRESS OF EACH PERSON MAKING A
2 QUALIFIED CONTRIBUTION IS RECORDED BY THE CANDIDATE COMMITTEE OF
3 THE ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE MAKING THE
4 CERTIFICATION. THIS REQUIREMENT IS IN ADDITION TO AND NOT IN
5 LIEU OF ANY OTHER REQUIREMENTS RELATING TO THE RECORDING AND
6 REPORTING OF CONTRIBUTIONS.

7 (2) A CANDIDATE FOR LEGISLATIVE OFFICE IS NOT ENTITLED TO
8 FUNDS FROM THE LEGISLATIVE CAMPAIGN FUND FOR AN ELECTION CYCLE IF
9 IT IS DETERMINED THE NAME OF THE CANDIDATE FOR LEGISLATIVE OFFICE
10 IS INELIGIBLE TO APPEAR ON THE PRIMARY ELECTION BALLOT PURSUANT
11 TO SECTION 163 OF THE MICHIGAN ELECTION LAW, 1954 PA 116, MCL
12 168.163. A CANDIDATE WHO DOES NOT FILE NOMINATING PETITIONS FOR
13 THE LEGISLATIVE OFFICE BEING SOUGHT OR WHO FILES AN INSUFFICIENT
14 PETITION FOR THAT OFFICE SHALL RETURN TO THE LEGISLATIVE CAMPAIGN
15 FUND ALL MONEY RECEIVED FROM THE LEGISLATIVE CAMPAIGN FUND FOR
16 THAT ELECTION CYCLE.

17 (3) A CANDIDATE FOR THE OFFICE OF STATE REPRESENTATIVE SHALL
18 NOT RECEIVE MORE THAN \$36,000.00 FROM THE LEGISLATIVE CAMPAIGN
19 FUND FOR 1 ELECTION CYCLE. A CANDIDATE FOR THE OFFICE OF STATE
20 SENATOR SHALL NOT RECEIVE MORE THAN \$90,000.00 FROM THE LEGISLA-
21 TIVE CAMPAIGN FUND FOR 1 ELECTION CYCLE.

22 (4) AN ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE MAY ELECT
23 TO ACCEPT PARTIAL PAYMENT OF MONEY FROM THE LEGISLATIVE CAMPAIGN
24 FUND AND INSTEAD RAISE PRIVATE CONTRIBUTIONS AS PROVIDED BY THIS
25 ACT THAT, WHEN ADDED TO THE AMOUNT RECEIVED FROM THE LEGISLATIVE
26 CAMPAIGN FUND, DO NOT EXCEED THE EXPENDITURE LIMIT DESIGNATED IN
27 SECTION 78.

1 (5) AN ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE SHALL
2 RECEIVE FROM THE STATE TREASURER THE BALANCE OF ANY LEGISLATIVE
3 CAMPAIGN FUND MONEY THAT THE ELIGIBLE CANDIDATE FOR LEGISLATIVE
4 OFFICE MAY BE ENTITLED TO UNDER THIS SECTION NOT LATER THAN 10
5 DAYS AFTER THE PRIMARY ELECTION, UNLESS THERE IS LESS THAN A 2%
6 DIFFERENCE IN VOTE TOTALS OF THE TOP 2 PRIMARY ELECTION CANDI-
7 DATES OF THE SAME POLITICAL PARTY FOR THE SAME OFFICE ACCORDING
8 TO UNOFFICIAL VOTE TOTALS AVAILABLE TO THE SECRETARY OF STATE.
9 THE BALANCE OF ANY LEGISLATIVE CAMPAIGN FUND MONEY OWED TO AN
10 ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE UNDER THIS SECTION
11 SHALL BE PAYABLE BY THE STATE TREASURER WITHIN 3 DAYS AFTER THE
12 BOARD OF STATE CANVASSERS' CERTIFICATION OF THE PRIMARY ELECTION
13 RESULTS, BUT NOT LATER THAN 30 DAYS AFTER THE PRIMARY ELECTION.
14 ANY FUNDS PAID TO A CANDIDATE FOR LEGISLATIVE OFFICE UNDER THIS
15 SECTION EITHER ERRONEOUSLY OR BASED UPON ELECTION RESULTS THAT
16 ARE REVERSED DUE TO A RECOUNT OR FRAUD SHALL BE REPAYED BY THAT
17 CANDIDATE FOR LEGISLATIVE OFFICE TO THE LEGISLATIVE CAMPAIGN FUND
18 WITHIN 60 DAYS OF RECEIPT OF NOTIFICATION BY CERTIFIED MAIL FROM
19 THE STATE TREASURER.

20 SEC. 76. (1) NOTWITHSTANDING ANY OTHER SECTION OF THIS ACT,
21 AN ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE MAY MAKE EXPENDI-
22 TURES THAT EXCEED THE EXPENDITURE LIMITATIONS DESIGNATED IN
23 SECTION 78 IF THE ELIGIBLE CANDIDATE'S OPPONENT IN AN ELECTION
24 DOES NOT ACCEPT LEGISLATIVE CAMPAIGN FUND MONEY UNDER THIS ACT.
25 THE STATE TREASURER, IN THE MANNER PROVIDED IN THIS ACT, SHALL
26 PAY TO AN ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE WHO IS EXEMPT
27 FROM THE EXPENDITURE LIMITATIONS PURSUANT TO THIS SECTION, ALL

1 LEGISLATIVE CAMPAIGN FUND MONEY THE ELIGIBLE CANDIDATE IS
2 ENTITLED TO UNDER THIS ACT.

3 (2) AN ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE WHO IS
4 EXEMPT FROM THE EXPENDITURE LIMITATIONS PURSUANT TO THIS SECTION
5 SHALL OTHERWISE COMPLY WITH THE REQUIREMENTS OF THIS ACT REGARD-
6 ING THE EXPENDITURE AND REPORTING OF LEGISLATIVE CAMPAIGN FUND
7 MONEY.

8 SEC. 77. (1) AN ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE
9 SHALL ONLY APPLY THE LEGISLATIVE CAMPAIGN FUND MONEY RECEIVED
10 UNDER THIS ACT AGAINST QUALIFIED CAMPAIGN EXPENDITURES.

11 (2) AN ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE SHALL KEEP
12 LEGISLATIVE CAMPAIGN FUND MONEY RECEIVED UNDER THIS ACT IN A SEP-
13 ARATE ACCOUNT AND SHALL MAKE QUALIFIED CAMPAIGN EXPENDITURES FROM
14 THIS ACCOUNT UNLESS THE ACCOUNT DOES NOT HAVE A BALANCE. AN ELI-
15 GIBLE CANDIDATE FOR LEGISLATIVE OFFICE SHALL REFUND UNEXPENDED
16 LEGISLATIVE CAMPAIGN FUND MONEY REMAINING IN THIS ACCOUNT TO THE
17 LEGISLATIVE CAMPAIGN FUND WITHIN 60 DAYS AFTER THE GENERAL ELEC-
18 TION IF THE NAME OF THE ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE
19 APPEARS ON THE GENERAL ELECTION BALLOT OR WITHIN 60 DAYS AFTER
20 THE PRIMARY ELECTION IF THE NAME OF THE ELIGIBLE CANDIDATE FOR
21 LEGISLATIVE OFFICE WILL NOT APPEAR ON THE GENERAL ELECTION
22 BALLOT. AN ELIGIBLE CANDIDATE FOR LEGISLATIVE OFFICE SHALL NOT
23 USE MONEY RECEIVED FROM THE LEGISLATIVE CAMPAIGN FUND FOR EXPEN-
24 DITURES IN AN ELECTION CYCLE FOR EXPENDITURES IN A SUBSEQUENT
25 ELECTION CYCLE.

26 (3) A PERSON WHO KNOWINGLY VIOLATES THIS SECTION IS GUILTY
27 OF A FELONY PUNISHABLE, IF THE PERSON IS AN INDIVIDUAL, BY A FINE

1 OF NOT MORE THAN \$2,000.00 OR IMPRISONMENT FOR NOT MORE THAN 3
2 YEARS, OR BOTH, OR, IF THE PERSON IS NOT AN INDIVIDUAL, BY A FINE
3 OF NOT MORE THAN \$10,000.00.

4 SEC. 78. (1) A CANDIDATE COMMITTEE OF AN ELIGIBLE CANDIDATE
5 FOR STATE REPRESENTATIVE SHALL NOT MAKE EXPENDITURES TO FURTHER
6 THE NOMINATION OR ELECTION OF THE ELIGIBLE CANDIDATE FOR STATE
7 REPRESENTATIVE THAT EXCEED \$54,000.00 IN THE AGGREGATE FOR AN
8 ELECTION CYCLE. A CANDIDATE COMMITTEE OF AN ELIGIBLE CANDIDATE
9 FOR STATE SENATOR SHALL NOT MAKE EXPENDITURES TO FURTHER THE NOM-
10 INATION OR ELECTION OF THE ELIGIBLE CANDIDATE FOR STATE SENATOR
11 THAT EXCEED \$135,000.00 IN THE AGGREGATE FOR AN ELECTION CYCLE.

12 (2) AN EXPENDITURE BY A CANDIDATE COMMITTEE TO PURCHASE
13 SPACE IN A NEWSPAPER OR OTHER PERIODICAL OR TIME ON RADIO OR
14 TELEVISION FOR THE PURPOSE OF RESPONDING TO AN EDITORIAL IN THE
15 SAME NEWSPAPER OR PERIODICAL OR ON THE SAME STATION OR CHANNEL
16 THAT WAS UNFAVORABLE TO THE COMMITTEE'S CANDIDATE FOR LEGISLATIVE
17 OFFICE OR THAT ENDORSED THE CANDIDATE'S OPPONENT IS NOT CONSID-
18 ERED AN EXPENDITURE FOR THE PURPOSES OF THE EXPENDITURE LIMITA-
19 TIONS SET FORTH IN SUBSECTION (1). THIS SUBSECTION ONLY APPLIES
20 TO 1 RESPONSE MADE TO A PARTICULAR EDITORIAL, UNFAVORABLE REPORT,
21 OR ENDORSEMENT OF AN OPPONENT AND DOES NOT APPLY UNLESS THE CAN-
22 DIDATE IS REFUSED FREE SPACE OR TIME IN WHICH TO ANSWER.

23 (3) A PERSON WHO KNOWINGLY VIOLATES SUBSECTION (1) IS GUILTY
24 OF A MISDEMEANOR PUNISHABLE BY A FINE OF NOT MORE THAN \$1,000.00,
25 OR IMPRISONMENT FOR NOT MORE THAN 90 DAYS, OR BOTH.

26 (4) IF A PERSON SUBJECT TO THIS SECTION IS FOUND GUILTY OF
27 VIOLATING THIS SECTION, THE CIRCUIT COURT OF THAT COUNTY, ON

1 APPLICATION BY THE ATTORNEY GENERAL, MAY PROHIBIT THAT PERSON
2 FROM ASSUMING THE DUTIES OF A PUBLIC OFFICE OR FROM RECEIVING
3 COMPENSATION FROM PUBLIC FUNDS, OR BOTH.

4 SEC. 79. (1) A PERSON SHALL NOT INCUR A DEBT FOR GOODS,
5 SERVICES, MATERIALS, FACILITIES, OR ANYTHING OF VALUE IN FURTHER-
6 ANCE OF, OR IN OPPOSITION TO, THE NOMINATION FOR, OR ELECTION TO,
7 OFFICE OF A CANDIDATE FOR LEGISLATIVE OFFICE THAT, WHEN PAID,
8 WILL CAUSE THE EXPENDITURES OF THAT CANDIDATE OR PERSON TO EXCEED
9 ANY LIMIT IMPOSED BY SECTION 78. A PERSON WHO KNOWINGLY VIOLATES
10 THIS SUBSECTION IS GUILTY OF A MISDEMEANOR PUNISHABLE BY A FINE
11 OF NOT MORE THAN \$1,000.00 OR IMPRISONMENT FOR NOT MORE THAN 90
12 DAYS, OR BOTH.

13 (2) IF A PERSON SUBJECT TO THIS SECTION IS FOUND GUILTY OF
14 VIOLATING THIS SECTION, THE CIRCUIT COURT OF THAT COUNTY, ON
15 APPLICATION BY THE ATTORNEY GENERAL, MAY PROHIBIT THAT PERSON
16 FROM ASSUMING THE DUTIES OF A PUBLIC OFFICE OR FROM RECEIVING
17 COMPENSATION FROM PUBLIC FUNDS, OR BOTH.