

HOUSE BILL No. 5450

September 22, 2009, Introduced by Reps. Knollenberg, Walsh, Bledsoe, Meltzer and Calley
and referred to the Committee on Ethics and Elections.

A bill to amend 1976 PA 388, entitled
"Michigan campaign finance act,"
by amending sections 52 and 69 (MCL 169.252 and 169.269), as
amended by 2001 PA 250.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 52. (1) Except as provided in subsection (5) or (11) and
2 subject to subsection (8), a person other than an independent
3 committee or a political party committee shall not make
4 contributions to a candidate committee of a candidate for elective
5 office that, with respect to an election cycle, are more than the
6 following:

7 (a) ~~\$3,400.00~~ **\$6,800.00** for a candidate for state elective
8 office other than the office of state legislator, or for a

1 candidate for local elective office if the district from which he
2 or she is seeking office has a population of more than 250,000.

3 (b) ~~\$1,000.00~~ **\$2,000.00** for a candidate for state senator, or
4 for a candidate for local elective office if the district from
5 which he or she is seeking office has a population of more than
6 85,000 but 250,000 or less.

7 (c) ~~\$500.00~~ **\$1,000.00** for a candidate for state
8 representative, or for a candidate for local elective office if the
9 district from which he or she is seeking office has a population of
10 85,000 or less.

11 (2) Except as otherwise provided in this subsection and
12 subsection (12), an independent committee shall not make
13 contributions to a candidate committee of a candidate for elective
14 office that, in the aggregate for that election cycle, are more
15 than ~~10~~ **2.5** times the amount permitted a person other than an
16 independent committee or political party committee in subsection
17 (1). A house political party caucus committee or a senate political
18 party caucus committee is not limited under this subsection in the
19 amount of contributions made to the candidate committee of a
20 candidate for the office of state legislator, except as follows:

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

26 (b) A house political party caucus committee or a senate
27 political party caucus committee shall not make a contribution to

1 or make an expenditure on behalf of a candidate if that candidate
2 is seeking nomination at a primary election and the candidate is
3 opposed at that primary.

4 (3) A political party committee other than a state central
5 committee shall not make contributions to the candidate committee
6 of a candidate for elective office that are more than ~~10~~2.5 times
7 the amount permitted a person other than an independent committee
8 or political party committee in subsection (1).

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

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

23 (6) Consistent with the provisions of this section, a
24 contribution designated in writing for a particular election cycle
25 is considered made for that election cycle. A contribution made
26 after the close of a particular election cycle and designated in
27 writing for that election cycle shall be made only to the extent

1 that the contribution does not exceed the candidate committee's net
2 outstanding debts and obligations from the election cycle so
3 designated. If a contribution is not designated in writing for a
4 particular election cycle, the contribution is considered made for
5 the election cycle that corresponds to the date of the written
6 instrument.

7 (7) A candidate committee, a candidate, or a treasurer or
8 agent of a candidate committee shall not accept a contribution with
9 respect to an election cycle that exceeds the limitations in
10 subsection (1), (2), (3), (4), (11), or (12).

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

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

22 (10) For purposes of the limitations provided in subsections
23 (1) and (2), all contributions made by political committees or
24 independent committees established by any corporation, joint stock
25 company, domestic dependent sovereign, or labor organization,
26 including any parent, subsidiary, branch, division, department, or
27 local unit thereof, shall be considered to have been made by a

1 single independent committee. By way of illustration and not
2 limitation, all of the following apply as a result of the
3 application of this requirement:

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

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

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

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

27 (11) The limitation on a political committee's contributions

1 under subsection (1) does not apply to contributions that are part
2 of 1 or more bundled contributions delivered to the candidate
3 committee of a candidate for statewide elective office and that are
4 attributed to the political committee as prescribed in section 31.
5 A political committee shall not make contributions to a candidate
6 committee of a candidate for statewide elective office that are
7 part of 1 or more bundled contributions delivered to that candidate
8 committee, that are attributed to the political committee as
9 prescribed in section 31, and that, in the aggregate for that
10 election cycle, are more than the amount permitted a person other
11 than an independent committee or political party committee in
12 subsection (1).

13 (12) The limitation on an independent committee's
14 contributions under subsection (2) does not apply to contributions
15 that are part of 1 or more bundled contributions delivered to the
16 candidate committee of a candidate for statewide elective office
17 and that are attributed to the independent committee as prescribed
18 in section 31. An independent committee shall not make
19 contributions to a candidate committee of a candidate for statewide
20 elective office that are part of 1 or more bundled contributions
21 delivered to that candidate committee, that are attributed to the
22 independent committee as prescribed in section 31, and that, in the
23 aggregate for that election cycle, are more than ~~10~~2.5 times the
24 amount permitted a person other than an independent committee or
25 political party committee in subsection (1).

26 Sec. 69. (1) Except as provided in subsection (6) or (10), a
27 person other than an independent committee or a political party

1 committee shall not make contributions to a candidate committee of
2 a candidate that are more than ~~\$3,400.00~~ **\$6,800.00** in value for an
3 election cycle.

4 (2) Except as provided in subsection (11), an independent
5 committee shall not make contributions to a candidate committee
6 that for an election cycle are more than ~~10~~ **2.5** times the amount
7 permitted a person other than an independent committee or political
8 party committee in subsection (1).

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

12 (4) A political party committee that is a congressional
13 district or county committee shall not make contributions to a
14 candidate committee that for an election cycle are more than
15 \$30,000.00.

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

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

24 (7) Sections 5(3) and 52(6) apply to determining when an
25 election cycle begins and ends and to which election cycle a
26 particular contribution is attributed.

27 (8) The candidate committee of a candidate for governor that

1 does not apply for funds from the state campaign fund and that
2 accepts from the candidate and the candidate's immediate family
3 contributions that total for an election cycle more than
4 \$340,000.00 shall notify the secretary of state in writing within
5 48 hours after receipt of this amount. Within 2 business days after
6 receipt of this notice, the secretary of state shall send notice to
7 all candidates who are either seeking the same nomination, in the
8 case of a primary election, or election to that same office, in the
9 case of a general election, informing those candidate committees of
10 all of the following:

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

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

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

23 (10) The limitation on a political committee's contributions
24 under subsection (1) does not apply to contributions that are part
25 of 1 or more bundled contributions delivered to the candidate
26 committee of a candidate for statewide elective office and that are
27 attributed to the political committee as prescribed in section 31.

1 A political committee shall not make contributions to a candidate
2 committee of a candidate for statewide elective office that are
3 part of 1 or more bundled contributions delivered to that candidate
4 committee, that are attributed to the political committee as
5 prescribed in section 31, and that, in the aggregate for that
6 election cycle, are more than the amount permitted a person other
7 than an independent committee or political party committee in
8 subsection (1).

9 (11) The limitation on an independent committee's
10 contributions under subsection (2) does not apply to contributions
11 that are part of 1 or more bundled contributions delivered to the
12 candidate committee of a candidate for statewide elective office
13 and that are attributed to the independent committee as prescribed
14 in section 31. An independent committee shall not make
15 contributions to a candidate committee of a candidate for statewide
16 elective office that are part of 1 or more bundled contributions
17 delivered to that candidate committee, that are attributed to the
18 independent committee as prescribed in section 31, and that, in the
19 aggregate for that election cycle, are more than ~~10~~2.5 times the
20 amount permitted a person other than an independent committee or
21 political party committee in subsection (1).