

SENATE BILL No. 815

February 25, 2014, Introduced by Senators BIEDA and HOPGOOD and referred to the Committee on Local Government and Elections.

A bill to amend 1976 PA 388, entitled
"Michigan campaign finance act,"
by amending sections 3 and 26 (MCL 169.203 and 169.226), section 3
as amended by 2012 PA 273 and section 26 as amended by 2013 PA 252.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) "Candidate" means an individual who meets 1 or
2 more of the following criteria:

3 (a) Files a fee, an affidavit of incumbency, or a nominating
4 petition for an elective office.

5 (b) Is nominated as a candidate for elective office by a
6 political party caucus or convention and whose nomination is
7 certified to the appropriate filing official.

8 (c) Receives a contribution, makes an expenditure, or gives

1 consent for another person to receive a contribution or make an
2 expenditure with a view to bringing about the individual's
3 nomination or election to an elective office, whether or not the
4 specific elective office for which the individual will seek
5 nomination or election is known at the time the contribution is
6 received or the expenditure is made.

7 (d) Is an officeholder who is the subject of a recall vote.

8 (e) Holds an elective office, unless the officeholder is
9 constitutionally or legally barred from seeking reelection or fails
10 to file for reelection to that office by the applicable filing
11 deadline. An individual described in this subdivision is considered
12 to be a candidate for reelection to that same office for the
13 purposes of this act only.

14 For purposes of sections 61 to 71, "candidate" only means, in
15 a primary election, a candidate for the office of governor and, in
16 a general election, a candidate for the office of governor or
17 lieutenant governor. However, the candidates for the office of
18 governor and lieutenant governor of the same political party in a
19 general election shall be considered as 1 candidate.

20 (2) "Candidate committee" means the committee designated in a
21 candidate's filed statement of organization as that individual's
22 candidate committee. A candidate committee shall be under the
23 control and direction of the candidate named in the same statement
24 of organization. Notwithstanding subsection (4), an individual
25 shall form a candidate committee under section 21 if the individual
26 becomes a candidate under subsection (1).

27 (3) "Closing date" means the date through which a campaign

1 statement is required to be complete.

2 (4) "Committee" means a person who receives contributions or
3 makes expenditures for the purpose of influencing or attempting to
4 influence the action of the voters for or against the nomination or
5 election of a candidate, the qualification, passage, or defeat of a
6 ballot question, or the qualification of a new political party, if
7 contributions received total \$500.00 or more in a calendar year or
8 expenditures made total \$500.00 or more in a calendar year.

9 **COMMITTEE INCLUDES A POLITICAL ORGANIZATION RECOGNIZED BY THE**
10 **INTERNAL REVENUE SERVICE UNDER 26 USC 527 THAT HAS AN OFFICER,**
11 **DIRECTOR, BOARD MEMBER, OR TRUSTEE WHO IS A RESIDENT OF THIS STATE.**

12 An individual, other than a candidate, does not constitute a
13 committee. A person, other than a committee registered under this
14 act, making an expenditure to a ballot question committee, shall
15 not, for that reason, be considered a committee for the purposes of
16 this act unless the person solicits or receives contributions for
17 the purpose of making an expenditure to that ballot question
18 committee.

19 Sec. 26. (1) A campaign statement of a committee, other than a
20 political party committee, required by this act shall contain all
21 of the following information:

22 (a) The filing committee's name, address, and telephone
23 number, and the full name, residential and business addresses, and
24 telephone numbers of the committee treasurer or other individual
25 designated as responsible for the committee's record keeping,
26 report preparation, or report filing.

27 (b) Under the heading "receipts", the total amount of

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

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

19 (d) The following information regarding each fund-raising
20 event shall be included in the report:

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

24 (ii) The total amount of all contributions.

25 (iii) The gross receipts of the fund-raising event.

26 (iv) The expenditures incident to the event.

27 (e) The full name of each individual from whom contributions

1 are received during the period covered by the campaign statement,
2 together with the individual's street address, the amount
3 contributed, the date on which each contribution was received, and
4 the cumulative amount contributed by that individual. The
5 occupation, employer, and principal place of business shall be
6 stated if the individual's cumulative contributions are more than
7 \$100.00. For contributions of \$5.00 or less by an individual to a
8 political committee or independent committee, the secretary of
9 state shall accept for filing any written communication from the
10 political committee or independent committee that contains the
11 information otherwise required under this subsection. Any such
12 written communication does not need to contain an original
13 signature.

14 (f) The cumulative amount contributed and the name and address
15 of each individual, except those individuals reported under
16 subdivision (e), who contributed to the committee. The occupation,
17 employer, and principal place of business shall be stated for each
18 individual who contributed more than \$100.00.

19 (g) The name and street address of each person, other than an
20 individual, from whom contributions are received during the period
21 covered by the campaign statement, together with an itemization of
22 the amounts contributed, the date on which each contribution was
23 received, and the cumulative amount contributed by that person.

24 (h) The name, address, and amount given by an individual who
25 contributed to the total amount contributed by a person who is
26 other than a committee or an individual. The occupation, employer,
27 and principal place of business shall be stated if the individual

1 contributed more than \$100.00 of the total amount contributed by a
2 person who is other than a committee or an individual.

3 (i) The cumulative total of expenditures of \$50.00 or less
4 made during the period covered by the campaign statement except for
5 expenditures made to or on behalf of another committee, candidate,
6 or ballot question.

7 (j) The full name and street address of each person to whom
8 expenditures totaling more than \$50.00 were made, together with the
9 amount of each separate expenditure to each person during the
10 period covered by the campaign statement; the purpose of the
11 expenditure; the full name and street address of the person
12 providing the consideration for which any expenditure was made if
13 different from the payee; the itemization regardless of amount of
14 each expenditure made to or on behalf of another committee,
15 candidate, or ballot question; and the cumulative amount of
16 expenditures for or against that candidate or ballot question for
17 an election cycle. An expenditure made in support of more than 1
18 candidate or ballot question, or both, shall be apportioned
19 reasonably among the candidates or ballot questions, or both.

20 (K) FOR A CANDIDATE COMMITTEE OF A CANDIDATE WHO CONTROLS OR
21 DIRECTS A POLITICAL ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE
22 SERVICE UNDER 26 USC 527, ALL DONORS, CONTRIBUTIONS, AND
23 EXPENDITURES OF THAT POLITICAL ORGANIZATION. A CANDIDATE CONTROLS
24 OR DIRECTS A POLITICAL ORGANIZATION IF ANY DIRECTOR, OFFICER, OR
25 BOARD MEMBER OF THE POLITICAL ORGANIZATION IS EMPLOYED BY OR SERVES
26 AS AN AGENT TO THE CANDIDATE, AS DETERMINED BY THE TOTALITY OF THE
27 CIRCUMSTANCES.

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

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

12 (4) For a reporting period in which a contribution is received
13 that is to be part of a bundled contribution or a reporting period
14 in which a bundled contribution is delivered to the candidate
15 committee of a candidate for statewide elective office, a bundling
16 committee shall report to the secretary of state, on a form
17 provided by the secretary of state, all of the following
18 information, as applicable, about each contribution received or
19 delivered as part of a bundled contribution, and about each bundled
20 contribution delivered, in the reporting period:

21 (a) The amount of each contribution, the date it was received
22 by the bundling committee, and the candidate for statewide elective
23 office whom the contributor designated as the intended recipient.

24 (b) Each contributor's name and address and, for each
25 contribution exceeding \$100.00, the contributor's occupation,
26 employer, and principal place of business.

27 (c) The date each contribution is delivered to the candidate's

1 statewide elective office candidate committee.

2 (d) The total amount of bundled contributions delivered to
3 that candidate committee during the reporting period and during the
4 election cycle.

5 (5) With its delivery of a bundled contribution to the
6 candidate committee of a candidate for statewide elective office, a
7 bundling committee shall deliver a report to that candidate
8 committee, on a form provided by the secretary of state, that
9 includes all of the following information, as applicable, about
10 each contribution delivered as part of the bundled contribution,
11 and about all bundled contributions delivered to that candidate
12 committee in the election cycle:

13 (a) The amount of each contribution, the date it was received
14 by the bundling committee, and the statewide elective office
15 candidate the contributor designated as the intended recipient.

16 (b) Each contributor's name and address and, for each
17 contribution exceeding \$100.00, the contributor's occupation,
18 employer, and principal place of business.

19 (c) The total amount of bundled contributions delivered to
20 that candidate committee during the reporting period and during the
21 election cycle.

22 (6) For a reporting period in which a bundled contribution is
23 received, a candidate committee of a candidate for statewide
24 elective office shall report to the secretary of state, on a form
25 provided by the secretary of state, all of the following
26 information, as applicable, about each contribution delivered as
27 part of a bundled contribution received in the reporting period and

1 about all bundled contributions received by that candidate
2 committee:

3 (a) The amount of each contribution, the date it was received
4 by the candidate committee, and the name of the bundling committee
5 that delivered the contribution.

6 (b) Each contributor's name and address and, for each
7 contribution exceeding \$100.00, the contributor's occupation,
8 employer, and principal place of business.

9 (c) The total amount of bundled contributions received by that
10 candidate committee during the reporting period and during the
11 election cycle.