

# HOUSE BILL No. 5959

October 19, 2016, Introduced by Reps. Moss, Wittenberg and LaGrand and referred to the Committee on Elections.

A bill to amend 1976 PA 388, entitled  
"Michigan campaign finance act,"  
by amending sections 8, 52, and 69 (MCL 169.208, 169.252, and  
169.269), section 8 as amended by 1996 PA 590, section 52 as  
amended by 2015 PA 269, and section 69 as amended by 2013 PA 252.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 8. (1) "House political party caucus committee" means an  
2 independent committee established by a political party caucus of  
3 the state house of representatives under section 24a.

4       (2) "Immediate family" means any child residing in a  
5 candidate's household, the candidate's spouse, or any individual  
6 claimed by that candidate or that candidate's spouse as a dependent  
7 for federal income tax purposes.

(3) "Independent committee" means a committee, other than a political party committee, that before contributing to a candidate committee of a candidate for elective office under section ~~52(2)~~ **52(3)** or 69(2) files a statement of organization as an independent committee at least 6 months before an election for which it expects to accept contributions or make expenditures in support of or in opposition to a candidate for nomination to or election to an elective office; and receives contributions from at least 25 persons and makes expenditures not to exceed the limitations of section ~~52(1)~~ **52(2)** in support of or in opposition to 3 or more candidates for nomination to or election to an elective office in the same calendar year.

**Sec. 52. (1) A PERSON SHALL ONLY MAKE A CONTRIBUTION TO A CANDIDATE COMMITTEE OF A CANDIDATE DURING THE YEAR IN WHICH A PRIMARY, SPECIAL, OR GENERAL ELECTION FOR THE OFFICE IN WHICH THE CANDIDATE SEEKS ELECTION IS HELD.**

**(2)** ~~(1)~~ Except as provided in subsection ~~(5)~~ **(6)** or ~~(11)~~ **(12)** and subject to section 46 and subsection ~~(8)~~ **(9)**, a person other than an independent committee or a political party committee shall not make contributions to a candidate committee of a candidate for elective office that, with respect to an election cycle, are more than the following:

(a) \$6,800.00 for a candidate for state elective office other than the office of state legislator, or for a candidate for local elective office if the district from which he or she is seeking office has a population of more than 250,000.

(b) \$2,000.00 for a candidate for state senator, 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 85,000 but  
3 250,000 or less.

4 (c) \$1,000.00 for a candidate for state representative, or for  
5 a candidate for local elective office if the district from which he  
6 or she is seeking office has a population of 85,000 or less.

7 (3) ~~(2)~~—Except as otherwise provided in this subsection and  
8 subsection ~~(12)~~, **(13)**, an independent committee shall not make  
9 contributions to a candidate committee of a candidate for elective  
10 office that, in the aggregate for that election cycle, are more  
11 than 10 times the amount permitted a person other than an  
12 independent committee or political party committee in subsection  
13 ~~(1)~~. **(2)**. A house political party caucus committee or a senate  
14 political party caucus committee is not limited under this  
15 subsection in the amount of contributions made to the candidate  
16 committee of a candidate for the office of state legislator, except  
17 as follows:

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

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

1       **(4)** ~~(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 the  
4 amount permitted a person other than an independent committee or  
5 political party committee in subsection ~~(1)~~. **(2)**.

6       **(5)** ~~(4)~~—A state central committee of a political party shall  
7 not make contributions to the candidate committee of a candidate  
8 for state elective office other than a candidate for the  
9 legislature that are more than 20 times the amount permitted a  
10 person other than an independent committee or political party  
11 committee in subsection ~~(1)~~. **(2)**. A state central committee of a  
12 political party shall not make contributions to the candidate  
13 committee of a candidate for state senator, state representative,  
14 or local elective office that are more than 10 times the amount  
15 permitted a person other than an independent committee or political  
16 party committee in subsection ~~(1)~~. **(2)**.

17       **(6)** ~~(5)~~—A contribution from a member of a candidate's  
18 immediate family to the candidate committee of that candidate is  
19 exempt from the limitations of subsection ~~(1)~~. **(2)**.

20       **(7)** ~~(6)~~—Consistent with the provisions of this section, a  
21 contribution 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 net  
26 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, all of the following apply to that  
2 contribution:

3 (a) The contribution is considered made for the election cycle  
4 that corresponds to the date of the written instrument.

5 (b) The contribution limits for the current election cycle  
6 apply to that contribution.

7 (c) A candidate committee may use that contribution to pay  
8 outstanding debts and obligations from a previous election cycle  
9 regardless of whether the contribution, when aggregated with any  
10 contributions made in that previous election cycle, would exceed  
11 the contribution limits for that previous election cycle.

12 **(8)** ~~(7)~~—A candidate committee, a candidate, or a treasurer or  
13 agent of a candidate committee shall not accept a contribution with  
14 respect to an election cycle that exceeds the limitations in  
15 subsection ~~(1)~~, (2), (3), (4), ~~(11)~~, ~~or~~ **(5)**, (12), **OR (13)**.

16 **(9)** ~~(8)~~—The contribution limits in subsection ~~(1)~~ **(2)** for a  
17 candidate for local elective office are effective on the effective  
18 date of the amendatory act that provides for those contribution  
19 limits, however, only contributions received by that candidate on  
20 and after that date shall be used to determine if the contribution  
21 limit has been reached.

22 **(10)** ~~(9)~~—A person who knowingly violates this section is  
23 guilty of a misdemeanor punishable, if the person is an individual,  
24 by a fine of not more than \$1,000.00 or imprisonment for not more  
25 than 90 days, or both, or, if the person is not an individual, by a  
26 fine of not more than \$10,000.00.

27 **(11)** ~~(10)~~—For purposes of the limitations provided in

1 subsections ~~(1) and (2)~~ **AND (3)**, all contributions made by  
2 political committees or independent committees established by any  
3 corporation, joint stock company, domestic dependent sovereign, or  
4 labor organization, including any parent, subsidiary, branch,  
5 division, department, or local unit thereof, shall be considered to  
6 have been made by a single independent committee. By way of  
7 illustration and not limitation, all of the following apply as a  
8 result of the application of this requirement:

9 (a) All of the political committees and independent committees  
10 established by a for profit corporation or joint stock company, by  
11 a subsidiary of the for profit corporation or joint stock company,  
12 or by any combination thereof, are treated as a single independent  
13 committee.

14 (b) All of the political committees and independent committees  
15 established by a single national or international labor  
16 organization, by a labor organization of that national or  
17 international labor organization, by a local labor organization of  
18 that national or international labor organization, or by any other  
19 subordinate organization of that national or international labor  
20 organization, or by any combination thereof, are treated as a  
21 single independent committee.

22 (c) All of the political committees and independent committees  
23 established by an organization of national or international unions,  
24 by a state central body of that organization, by a local central  
25 body of that organization, or by any combination thereof, are  
26 treated as a single independent committee.

27 (d) All of the political committees and independent committees

1 established by a nonprofit corporation, by a related state entity  
2 of that nonprofit corporation, by a related local entity of that  
3 nonprofit corporation, or by any combination thereof, are treated  
4 as a single independent committee.

5       **(12)** ~~(11)~~—The limitation on a political committee's  
6 contributions under subsection ~~(1)~~—**(2)** does not apply to  
7 contributions that are part of 1 or more bundled contributions  
8 delivered to the candidate committee of a candidate for statewide  
9 elective office and that are attributed to the political committee  
10 as prescribed in section 31. A political committee shall not make  
11 contributions to a candidate committee of a candidate for statewide  
12 elective office that are part of 1 or more bundled contributions  
13 delivered to that candidate committee, that are attributed to the  
14 political committee as prescribed in section 31, and that, in the  
15 aggregate for that election cycle, are more than the amount  
16 permitted a person other than an independent committee or political  
17 party committee in subsection ~~(1)~~—**(2)**.

18       **(13)** ~~(12)~~—The limitation on an independent committee's  
19 contributions under subsection ~~(2)~~—**(3)** does not apply to  
20 contributions that are part of 1 or more bundled contributions  
21 delivered to the candidate committee of a candidate for statewide  
22 elective office and that are attributed to the independent  
23 committee as prescribed in section 31. An independent committee  
24 shall not make contributions to a candidate committee of a  
25 candidate for statewide elective office that are part of 1 or more  
26 bundled contributions delivered to that candidate committee, that  
27 are attributed to the independent committee as prescribed in

1 section 31, and that, in the aggregate for that election cycle, are  
2 more than 10 times the amount permitted a person other than an  
3 independent committee or political party committee in subsection  
4 ~~(1)~~ (2) .

5 Sec. 69. (1) Except as provided in subsection (6) or (10) and  
6 subject to section 46, a person other than an independent committee  
7 or a political party committee shall not make contributions to a  
8 candidate committee of a candidate that are more than \$6,800.00 in  
9 value for an election cycle.

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

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

18 (4) A political party committee that is a congressional  
19 district or county committee shall not make contributions to a  
20 candidate 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), or (10) .

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



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

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

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

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

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

24 (9) A person who knowingly violates this section is guilty of  
25 a misdemeanor punishable, if the person is an individual, by a fine  
26 of not more than \$1,000.00 or imprisonment for not more than 90  
27 days, or both, or, if the person is not an individual, by a fine of

1 not more than \$10,000.00.

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

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