

# Legislative Analysis

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## NO PUBLIC FUNDING FOR PRIMARY CANDIDATES RUNNING UNOPPOSED

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**House Bill 4946 as introduced**  
**Sponsor: Rep. Aaron Miller**  
**Committee: Elections and Ethics**  
**Complete to 10-11-17**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

House Bill 4946 would amend the Michigan Campaign Finance Act to render primary candidates running unopposed ineligible for public funding.

Public Act 388 of 1976 created the State Campaign Fund in the Michigan Campaign Finance Act. Under the Act, when filling out their yearly state tax returns, taxpayers may designate that \$3<sup>1</sup> of their taxes paid be credited to the fund. This designation does not change the amount the taxpayer pays, but instead directs the \$3 to the segregated fund. The State Treasurer administers the fund, which is available for eligible gubernatorial candidates in the primary and general elections.

In order to be eligible to receive funds, a gubernatorial candidate must certify to the Secretary of State that his or her candidate committee has received \$75,000 or more in qualifying contributions and has recorded the full name and address of each person making those contributions. Additionally, the candidate must meet the nominating petition requirements—namely, that it be signed by at least 100 registered resident electors in each of at least half of Michigan's 14 congressional districts—and deadline of the 15<sup>th</sup> Tuesday before the August primary.

If these requirements are met, a candidate may obtain \$2 from the fund for each \$1 in qualifying contributions, up to \$990,000 for the primary election. For the general election, a candidate may receive up to \$1,125,000. Candidates who receive public funds must adhere to the election expenditure limits.

The bill would add a provision that a candidate would not be entitled to funds from the fund for a primary election if running unopposed. Any funds received by an unopposed candidate in a primary election must be returned. The bill defines ***unopposed*** to mean that no other candidate has filed a nominating petition for the office of governor that has been declared sufficient by the Board of State Canvassers.

The bill would take effect 90 days after enactment.

MCL 169.264

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<sup>1</sup> The initial contribution was \$2; Public Act 262 of 1993 increased the designation to \$3.

## FISCAL IMPACT:

The bill could result in savings to the state restricted State Campaign Fund every four years assuming there is an unopposed gubernatorial candidate in the primary election who requests funds from the State Campaign Fund. The maximum potential savings to the Fund would be \$1,980,000 assuming there are two unopposed candidates from only the two major parties. Savings could be higher if unopposed third-party candidates would have otherwise qualified to draw funds from the Fund.

Over the last eight gubernatorial elections there have been six instances of candidates being unopposed in the primary and receiving funds from the State Campaign Fund. There were no instances of more than one candidate doing this during the same election. The table below shows the election year and the amount expended by unopposed candidates in a primary.

Year	Funds Spent
2014	\$990,000
2010	--
2006	--
2002	990,000
1998	990,000
1994	889,117
1990	989,054
1986	660,000
<b>Total</b>	<b>\$5,508,171</b>

The balance remaining in the Fund does not lapse to the General Fund at any time except if the balance in the Fund exceeds \$10 million on the December 31 following an election. Since the Fund was created in 1976, the balance has rarely exceeded \$5 million following an election making an impact to the General Fund unlikely.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.