SENATE BILL NO. 411

August 20, 2019, Introduced by Senators MCCANN, BAYER, IRWIN, ANANICH and GEISS and referred to the Committee on Elections.

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act,"

by amending sections 52, 52a, and 69 (MCL 169.252, 169.252a, and 169.269), section 52 as amended by 2015 PA 269 and sections 52a and 69 as amended by 2013 PA 252; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 52. (1) Except as provided in subsection (5) or (11) and subject to section 46 and subsection (8), a person other than an independent committee or a political party committee shall not make

- 1 contributions to a candidate committee of a candidate for elective
- 2 office that, with respect to an election cycle, are more than the
- 3 following:
- 4 (a) \$6,800.00 \$3,400.00 for a candidate for state elective
- 5 office other than the office of state legislator, or for a
- 6 candidate for local elective office if the district from which he
- 7 or she is seeking office has a population of more than 250,000.
- 8 (b) \$2,000.00 \$1,000.00 for a candidate for state senator, or
- 9 for a candidate for local elective office if the district from
- 10 which he or she is seeking office has a population of more than
- 11 85,000 but 250,000 or less.
- 12 (c) \$1,000.00 \$500.00 for a candidate for state
- 13 representative, or for a candidate for local elective office if the
- 14 district from which he or she is seeking office has a population of
- **15** 85,000 or less.
- 16 (2) Except as otherwise provided in this subsection and
- 17 subsection (12), an independent committee shall not make
- 18 contributions to a candidate committee of a candidate for elective
- 19 office that, in the aggregate for that election cycle, are more
- 20 than 10 times the amount permitted a person other than an
- 21 independent committee or political party committee in subsection
- 22 (1). A house political party caucus committee or a senate political
- 23 party caucus committee is not limited under this subsection in the
- 24 amount of contributions made to the candidate committee of a
- 25 candidate for the office of state legislator, except as follows:
- 26 (a) A house political party caucus committee or a senate
- 27 political party caucus committee shall not pay a debt incurred by a
- 28 candidate if that debt was incurred while the candidate was seeking
- 29 nomination at a primary election and the candidate was opposed at

1 that primary.

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- 2 (b) A house political party caucus committee or a senate
 3 political party caucus committee shall not make a contribution to
 4 or make an expenditure on behalf of a candidate if that candidate
 5 is seeking nomination at a primary election and the candidate is
 6 opposed at that primary.
 - (3) A political party committee other than a state central committee shall not make contributions to the candidate committee of a candidate for elective office that are more than 10 times the amount permitted a person other than an independent committee or political party committee in subsection (1).
- (4) A state central committee of a political party shall not 12 make contributions to the candidate committee of a candidate for 13 14 state elective office other than a candidate for the legislature 15 that are more than 20 times the amount permitted a person other than an independent committee or political party committee in 16 17 subsection (1). A state central committee of a political party 18 shall not make contributions to the candidate committee of a 19 candidate for state senator, state representative, or local 20 elective office that are more than 10 times the amount permitted a 21 person other than an independent committee or political party committee in subsection (1). 22
 - (5) A contribution from a member of a candidate's immediate family to the candidate committee of that candidate is exempt from the limitations of subsection (1).
 - (6) Consistent with the provisions of this section, a contribution designated in writing for a particular election cycle is considered made for that election cycle. A contribution made after the close of a particular election cycle and designated in

- 1 writing for that election cycle shall must be made only to the
- 2 extent that the contribution does not exceed the candidate
- 3 committee's net outstanding debts and obligations from the election
- 4 cycle so designated. If a contribution is not designated in writing
- 5 for a particular election cycle, all of the following apply to that
- 6 contribution:
- 7 (a) The contribution is considered made for the election cycle
- 8 that corresponds to the date of the written instrument.
- 9 (b) The contribution limits for the current election cycle
- 10 apply to that contribution.
- 11 (c) A candidate committee may use that contribution to pay
- 12 outstanding debts and obligations from a previous election cycle
- 13 regardless of whether the contribution, when aggregated with any
- 14 contributions made in that previous election cycle, would exceed
- 15 the contribution limits for that previous election cycle.
- 16 (7) A candidate committee, a candidate, or a treasurer or
- 17 agent of a candidate committee shall not accept a contribution with
- 18 respect to an election cycle that exceeds the limitations in
- 19 subsection (1), (2), (3), (4), (11), or (12).
- 20 (8) The contribution limits in subsection (1) for a candidate
- 21 for local elective office are effective on the effective date of
- 22 the amendatory act that provides for those contribution limits,
- 23 however, only contributions received by that candidate on and after
- 24 that date shall may be used to determine if the contribution limit
- 25 has been reached.
- 26 (9) A person who knowingly violates this section is quilty of
- 27 a misdemeanor punishable, if the person is an individual, by a fine
- of not more than \$1,000.00 or imprisonment for not more than 90
- 29 days, or both, or, if the person is not an individual, by a fine of

- 1 not more than \$10,000.00.
- 2 (10) For purposes of the limitations provided in subsections
- 3 (1) and (2), all contributions made by political committees or
- 4 independent committees established by any corporation, joint stock
- 5 company, domestic dependent sovereign, or labor organization,
- 6 including any parent, subsidiary, branch, division, department, or
- 7 local unit thereof, shall be are considered to have been made by a
- 8 single independent committee. By way of illustration and not
- 9 limitation, all of the following apply as a result of the
- 10 application of this requirement:
- 11 (a) All of the political committees and independent committees
- 12 established by a for profit corporation or joint stock company, by
- 13 a subsidiary of the for profit corporation or joint stock company,
- 14 or by any combination thereof, are treated as a single independent
- 15 committee.
- 16 (b) All of the political committees and independent committees
- 17 established by a single national or international labor
- 18 organization, by a labor organization of that national or
- 19 international labor organization, by a local labor organization of
- 20 that national or international labor organization, or by any other
- 21 subordinate organization of that national or international labor
- 22 organization, or by any combination thereof, are treated as a
- 23 single independent committee.
- 24 (c) All of the political committees and independent committees
- 25 established by an organization of national or international unions,
- 26 by a state central body of that organization, by a local central
- 27 body of that organization, or by any combination thereof, are
- 28 treated as a single independent committee.
- 29 (d) All of the political committees and independent committees

- established by a nonprofit corporation, by a related state entity
 of that nonprofit corporation, by a related local entity of that
 nonprofit corporation, or by any combination thereof, are treated
- 4 as a single independent committee.
- (11) The limitation on a political committee's contributionsunder subsection (1) does not apply to contributions that are part
- 7 of 1 or more bundled contributions delivered to the candidate
- 8 committee of a candidate for statewide elective office and that are
- 9 attributed to the political committee as prescribed in section 31.
- 10 A political committee shall not make contributions to a candidate
- 11 committee of a candidate for statewide elective office that are
- 12 part of 1 or more bundled contributions delivered to that candidate
- 13 committee, that are attributed to the political committee as
- 14 prescribed in section 31, and that, in the aggregate for that
- 15 election cycle, are more than the amount permitted a person other
- 16 than an independent committee or political party committee in
- 17 subsection (1).
- 18 (12) The limitation on an independent committee's
- 19 contributions under subsection (2) does not apply to contributions
- 20 that are part of 1 or more bundled contributions delivered to the
- 21 candidate committee of a candidate for statewide elective office
- 22 and that are attributed to the independent committee as prescribed
- 23 in section 31. An independent committee shall not make
- 24 contributions to a candidate committee of a candidate for statewide
- 25 elective office that are part of 1 or more bundled contributions
- 26 delivered to that candidate committee, that are attributed to the
- 27 independent committee as prescribed in section 31, and that, in the
- 28 aggregate for that election cycle, are more than 10 times the
- 29 amount permitted a person other than an independent committee or

- 1 political party committee in subsection (1).
- 2 Sec. 52a. (1) Subject to section 46, a A person shall not make
- 3 contributions to a house political party caucus committee or a
- 4 senate political party caucus committee that exceed \$40,000.00 in a
- 5 calendar year. A house political party caucus committee or a senate
- 6 political party caucus committee or a treasurer or agent of the
- 7 committee shall not accept a contribution with respect to a 2-year
- 8 election cycle that exceeds the limitation in this section.
- 9 (2) A person who knowingly violates this section is quilty of
- 10 a misdemeanor punishable, if the person is an individual, by a fine
- of not more than \$1,000.00 or imprisonment for not more than 90
- 12 days, or both, or, if the person is not an individual, by a fine of
- 13 not more than \$10,000.00.
- Sec. 69. (1) Except as provided in subsection (6) or (10), and
- 15 subject to section 46, a person other than an independent committee
- 16 or a political party committee shall not make contributions to a
- 17 candidate committee of a candidate that are more than \$6,800.00
- 18 \$3,400.00 in value for an election cycle.
- 19 (2) Except as provided in subsection (11), an independent
- 20 committee shall not make contributions to a candidate committee
- 21 that for an election cycle are more than 10 times the amount
- 22 permitted a person other than an independent committee or political
- 23 party committee in subsection (1).
- 24 (3) A political party committee that is a state central
- 25 committee shall not make contributions to a candidate committee
- 26 that for an election cycle are more than \$750,000.00.
- 27 (4) A political party committee that is a congressional
- 28 district or county committee shall not make contributions to a
- 29 candidate committee that for an election cycle are more than

1 \$30,000.00.

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- 2 (5) A candidate committee, a candidate, or a treasurer or
 3 agent shall not accept a contribution with respect to an election
 4 cycle that exceeds a limitation in subsections (1) to (4), or (10).
- 5 (6) As used in this subsection, "immediate family" means a 6 spouse, parent, brother, sister, son, or daughter. A candidate and 7 members of that candidate's immediate family may not contribute in 8 total to that person's candidate committee an amount that is more 9 than \$50,000.00 in value for an election cycle.
- 10 (7) Sections 5(3) and 52(6) apply to determining when an 11 election cycle begins and ends and to which election cycle a particular contribution is attributed.
- 13 (8) The candidate committee of a candidate for governor that 14 does not apply for funds from the state campaign fund and that 15 accepts from the candidate and the candidate's immediate family 16 contributions that total for an election cycle more than \$340,000.00 shall notify the secretary of state in writing within 17 18 48 hours after receipt of this amount. Within 2 business days after 19 receipt of this notice, the secretary of state shall send notice to 20 all candidates who are either seeking the same nomination, in the case of a primary election, or election to that same office, in the 21 case of a general election, informing those candidate committees of 22 23 all of the following:
 - (a) That the expenditure limits provided in section 67 are waived for the remainder of that election for those notified candidate committees that receive funds from the state campaign fund under this act.
- (b) That the expenditure limits of section 67 are not waivedfor the purpose of determining the amount of public funds available

1 to a candidate under section 64 or 65.

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- 2 (9) A person who knowingly violates this section is guilty of 3 a misdemeanor punishable, if the person is an individual, by a fine 4 of not more than \$1,000.00 or imprisonment for not more than 90 5 days, or both, or, if the person is not an individual, by a fine of 6 not more than \$10,000.00.
- 7 (10) The limitation on a political committee's contributions 8 under subsection (1) does not apply to contributions that are part of 1 or more bundled contributions delivered to the candidate 9 10 committee of a candidate for statewide elective office and that are 11 attributed to the political committee as prescribed in section 31. A political committee shall not make contributions to a candidate 12 committee of a candidate for statewide elective office that are 13 part of 1 or more bundled contributions delivered to that candidate 14 15 committee, that are attributed to the political committee as prescribed in section 31, and that, in the aggregate for that 16 17 election cycle, are more than the amount permitted a person other 18 than an independent committee or political party committee in 19 subsection (1).
 - (11) The limitation on an independent committee's contributions under subsection (2) does not apply to contributions that are part of 1 or more bundled contributions delivered to the candidate committee of a candidate for statewide elective office and that are attributed to the independent committee as prescribed in section 31. An independent committee shall not make contributions to a candidate committee of a candidate for statewide elective office that are part of 1 or more bundled contributions delivered to that candidate committee, that are attributed to the independent committee as prescribed in section 31, and that, in the

- 1 aggregate for that election cycle, are more than 10 times the
- 2 amount permitted a person other than an independent committee or
- 3 political party committee in subsection (1).
- 4 Enacting section 1. Section 46 of the Michigan campaign
- 5 finance act, 1976 PA 388, MCL 169.246, is repealed.