

HOUSE BILL NO. 4269

March 19, 2025, Introduced by Reps. Brixie, Paquette, Mentzer, Martus, Wegela, Rheingans, Dievendorf, Morgan, Byrnes, Koleszar, Price, Conlin, Coffia, Paiz, Wilson, Miller, Tsernoglou, Andrews, Arbit, Longjohn, MacDonell and McKinney and referred to Committee on Government Operations.

A bill to amend 1976 PA 388, entitled
"Michigan campaign finance act,"
(MCL 169.201 to 169.282) by adding sections 29a and 29b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 29a. (1) Except as otherwise provided in this section, a
2 527 organization shall electronically file financial statements
3 with the secretary of state. The period covered by a financial
4 statement is the period beginning with the day after the closing
5 date of the most recent financial statement filed under this act

1 and ending with the closing date of the financial statement in
2 question. If the 527 organization has not previously filed a
3 financial statement, the period covered begins on the date on which
4 the 527 organization was formed.

5 (2) A 527 organization shall file financial statements as
6 required by this section on the following dates each year:

7 (a) Not later than January 31 with a closing date of December
8 31.

9 (b) Not later than July 31 with a closing date of June 30.

10 (3) A 527 organization shall include in a financial statement
11 under this section all of the following information:

12 (a) The full name and street address of each person from whom
13 contributions are received and, if the person is a committee, the
14 full name of the committee treasurer, the amount, and the date or
15 dates contributed. The occupation, employer, and principal place of
16 business, if any, must be listed for each person from whom
17 contributions totaling more than \$100.00 are received in a calendar
18 year.

19 (b) If the financial statement reports the receipt of a
20 contribution from a committee or person whose treasurer does not
21 reside in, whose principal office is not located in, or whose money
22 is not kept in this state, and whose committee has not filed a
23 statement of organization as required under section 24, the full
24 name and address of the treasurer of the committee.

25 (c) The filer's name, address, and telephone number, if
26 available, and the full name, address, and telephone number, if
27 available, of the 527 organization's treasurer.

28 (d) An itemized list of all expenditures, including in-kind
29 contributions and expenditures and loans, made during the period

1 covered by the financial statement that were \$100.00 or greater.

2 (4) If a 527 organization expects to receive or expend less
3 than \$5,000.00 in a calendar year, the 527 organization may apply
4 for a filing waiver from the secretary of state. A 527 organization
5 that is granted a filing waiver by the secretary of state is not
6 required to file a financial statement under this section unless it
7 received or expended an amount in excess of \$5,000.00 in the past
8 year. If the 527 organization receives or expends an amount in
9 excess of \$5,000.00 during a period covered by the filing waiver,
10 the 527 organization is then subject to financial statement filing
11 requirements under this section.

12 (5) If a 527 organization fails to file a financial statement
13 required under this section, the 527 organization shall pay a late
14 filing fee. If the 527 organization has raised \$10,000.00 or less
15 during the previous 2 years, the late filing fee is \$25.00 for each
16 business day the financial statement remains unfiled, not to exceed
17 \$500.00. If the 527 organization has raised more than \$10,000.00 in
18 the previous 2 years, the late filing fee must not exceed
19 \$1,000.00, determined as follows:

20 (a) Twenty-five dollars for each business day the report
21 remains unfiled.

22 (b) An additional \$25.00 for each business day after the first
23 3 business days the report remains unfiled.

24 (c) An additional \$50.00 for each business day after the first
25 10 business days the report remains unfiled.

26 (6) If a 527 organization has a balance of less than
27 \$20,000.00 and fails to file 2 financial statements required under
28 this section and both of those financial statements remain unfiled
29 for more than 30 days, knowingly files an incomplete or inaccurate

1 financial statement required under this section, or knowingly omits
2 or underreports individual contributions or individual expenditures
3 required to be disclosed under this act, the 527 organization is
4 subject to the following:

5 (a) For a first or second offense, a civil fine of not more
6 than \$1,000.00.

7 (b) For a third offense, a civil fine of not more than
8 \$5,000.00 and the 527 organization must be dissolved.

9 (7) If a 527 organization has a balance of \$20,000.00 or
10 greater and fails to file 2 financial statements required under
11 this section and both of those financial statements remain unfiled
12 for more than 30 days, knowingly files an incomplete or inaccurate
13 financial statement required under this section, or knowingly omits
14 or underreports individual contributions or individual expenditures
15 required to be disclosed under this act, the 527 organization is
16 subject to the following:

17 (a) For a first offense, a civil fine of not more than
18 \$4,000.00.

19 (b) For a second offense, a civil fine of not more than
20 \$5,000.00.

21 (c) For a third offense, a civil fine of not more than
22 \$5,000.00 and the 527 organization must be dissolved.

23 (8) If an elected official is employed by, sits on the board
24 of, or controls or directs a 527 organization and the 527
25 organization fails to file 2 financial statements required under
26 this section and both of those financial statements remain unfiled
27 for more than 30 days, knowingly files an incomplete or inaccurate
28 financial statement required under this section, or knowingly omits
29 or underreports individual contributions or individual expenditures

1 required to be disclosed under this act, the elected official is
2 subject to the following:

3 (a) For a first offense, a civil fine of not more than
4 \$1,000.00.

5 (b) For a second offense, the elected official is guilty of a
6 misdemeanor punishable by imprisonment for not more than 90 days, a
7 fine of not more than \$1,000.00, or both.

8 (c) For a third offense, a civil fine of not more than
9 \$5,000.00.

10 (9) A 527 organization that must dissolve for a third
11 violation of this section shall donate all remaining funds to an
12 organization that claims tax-exempt status under section 501(c)(3)
13 of the internal revenue code, 26 USC 501.

14 Sec. 29b. (1) Except as otherwise provided in this section, a
15 501(c)(4) organization shall electronically file a financial
16 statement with the secretary of state. The period covered by a
17 financial statement is the period beginning with the day after the
18 closing date of the most recent financial statement filed under
19 this act and ending with the closing date of the financial
20 statement in question. If the 501(c)(4) organization has not
21 previously filed a financial statement, the period covered begins
22 on the date on which the 501(c)(4) organization was formed.

23 (2) A 501(c)(4) organization shall file financial statements
24 as required by this section on the following dates each year:

25 (a) Not later than January 31 with a closing date of December
26 31.

27 (b) Not later than July 31 with a closing date of June 30.

28 (3) A 501(c)(4) organization shall include in a financial
29 statement under this section all of the following information:

1 (a) The full name and street address of each person from whom
2 donations are received and, if the person is a committee, the full
3 name of the committee treasurer, the amount, and the date or dates
4 donated. The occupation, employer, and principal place of business,
5 if any, must be listed for each person from whom donations totaling
6 more than \$100.00 are received in a calendar year.

7 (b) If the financial statement reports the receipt of a
8 donation from a committee or person whose treasurer does not reside
9 in, whose principal office is not located in, or whose money is not
10 kept in this state, and whose committee has not filed a statement
11 of organization as required under section 24, the full name and
12 address of the treasurer of the committee.

13 (c) The filer's name, address, and telephone number, if
14 available, and the full name, address, and telephone number, if
15 available, of the 501(c)(4) organization's treasurer.

16 (d) An itemized list of all disbursements, including in-kind
17 donations and disbursements and loans, made during the period
18 covered by the financial statement that were \$100.00 or greater.

19 (4) If a 501(c)(4) organization expects to receive or expend
20 less than \$5,000.00 in a calendar year, the 501(c)(4) organization
21 may apply for a filing waiver from the secretary of state. A
22 501(c)(4) organization that is granted a filing waiver by the
23 secretary of state is not required to file a financial statement
24 under this section unless it received or expended an amount in
25 excess of \$5,000.00 in the past year. If the 501(c)(4) organization
26 receives or expends an amount in excess of \$5,000.00 during a
27 period covered by the filing waiver, the 501(c)(4) organization is
28 then subject to financial statement filing requirements under this
29 section.

(5) If a 501(c)(4) organization fails to file a financial statement required under this section, the 501(c)(4) organization shall pay a late filing fee. If the 501(c)(4) organization has raised \$10,000.00 or less during the previous 2 years, the late filing fee is \$25.00 for each business day the financial statement remains unfiled, not to exceed \$500.00. If the 501(c)(4) organization has raised more than \$10,000.00 in the previous 2 years, the late filing fee must not exceed \$1,000.00, determined as follows:

(a) Twenty-five dollars for each business day the report remains unfiled.

(b) An additional \$25.00 for each business day after the first 3 business days the report remains unfiled.

(c) An additional \$50.00 for each business day after the first 10 business days the report remains unfiled.

(6) If a 501(c)(4) organization has a balance of less than \$20,000.00 and fails to file 2 financial statements required under this section and both of those financial statements remain unfiled for more than 30 days, knowingly files an incomplete or inaccurate financial statement required under this section, or knowingly omits or underreports individual contributions or individual disbursements required to be disclosed under this act, the 501(c)(4) organization is subject to the following:

(a) For a first or second offense, a civil fine of not more than \$1,000.00.

(b) For a third offense, a civil fine of not more than \$5,000.00 and the 501(c)(4) organization must be dissolved.

(7) If a 501(c)(4) organization has a balance of \$20,000.00 or greater and fails to file 2 financial statements required under

1 this section and both of those financial statements remain unfiled
2 for more than 30 days, knowingly files an incomplete or inaccurate
3 financial statement required under this section, or knowingly omits
4 or underreports individual contributions or individual expenditures
5 required to be disclosed under this act, the 501(c)(4) organization
6 is subject to the following:

7 (a) For a first offense, a civil fine of not more than
8 \$4,000.00.

9 (b) For a second offense, a civil fine of not more than
10 \$5,000.00.

11 (c) For a third offense, a civil fine of not more than
12 \$5,000.00 and the 501(c)(4) organization must be dissolved.

13 (8) If an elected official is employed by, sits on the board
14 of, or controls or directs a 501(c)(4) organization and the
15 501(c)(4) organization fails to file 2 financial statements
16 required under this section and both of those financial statements
17 remain unfiled for more than 30 days, knowingly files an incomplete
18 or inaccurate financial statement required under this section, or
19 knowingly omits or underreports individual contributions or
20 individual expenditures required to be disclosed under this act,
21 the elected official is subject to the following:

22 (a) For a first offense, a civil fine of not more than
23 \$1,000.00.

24 (b) For a second offense, the elected official is guilty of a
25 misdemeanor punishable by imprisonment for not more than 90 days, a
26 fine of not more than \$1,000.00, or both.

27 (c) For a third offense, a civil fine of not more than
28 \$5,000.00.

29 (9) A 501(c)(4) organization that must dissolve for a third

1 violation of this section shall donate all remaining funds to an
2 organization that claims tax-exempt status under section 501(c)(3)
3 of the internal revenue code, 26 USC 501.

4 Enacting section 1. This amendatory act takes effect January
5 1, 2027.

6 Enacting section 2. This amendatory act does not take effect
7 unless Senate Bill No. _____ (request no. S00782'25) or House Bill
8 No. 4270 (request no. H00782'25) of the 103rd Legislature is
9 enacted into law.