

**MICHIGAN CAMPAIGN FINANCE ACT (EXCERPT)**  
**Act 388 of 1976**

**169.266 Application of funds against qualified campaign expenditures; “qualified campaign expenditure” defined; separate account for funds received; payment of qualified expenditures; disposition of unexpended balance; use of payment for expenditures in subsequent election prohibited; violation; penalty.**

Sec. 66. (1) A candidate may only apply the funds received under this act from the state campaign fund against qualified campaign expenditures.

(2) As used in this section, “qualified campaign expenditure” means an expenditure for services, materials, facilities, or other things of value by the candidate committee to further the candidate’s nomination or election to office during the year in which the primary or general election in which the candidate seeks nomination or election is held. Qualified campaign expenditure does not include any of the following:

- (a) An expenditure in violation of any law of the United States or of this state.
- (b) A payment made to the candidate or a relative within the third degree of consanguinity of the candidate, or to a business with which the candidate or the relative is associated.
- (c) A payment to the extent clearly in excess of the fair market value of services, materials, facilities, or other things of value received in exchange.
- (d) That portion of any salary or wage to an individual in excess of \$5,000.00 per month.
- (e) Payment from petty cash.
- (f) Gifts, except brochures, buttons, signs, and other printed campaign material.
- (g) Payment to a defense fund.
- (h) An expenditure by a candidate committee for an incidental expense under section 21a.

(3) A candidate shall keep the funds received under this act from the state campaign fund in a separate account. The candidate’s qualified expenditures may be paid from the separate account unless the account does not have a balance. An unexpended balance in the separate account shall be refunded and credited to the general fund within 60 days after the election for which the funds were received. Payment received from the state campaign fund for expenditures in 1 election shall not be used for expenditures in a subsequent election.

(4) A person who knowingly violates this section is guilty of a felony punishable, if the person is an individual, by a fine of not more than \$2,000.00, or imprisonment for not more than 3 years, or both, or, if the person not an individual, by a fine of not more than \$10,000.00.

**History:** 1976, Act 388, Imd. Eff. Dec. 30, 1976;—Am. 1989, Act 95, Imd. Eff. June 21, 1989;—Am. 1993, Act 262, Imd. Eff. Dec. 14, 1993;—Am. 1994, Act 411, Imd. Eff. Dec. 29, 1994.