

HOUSE BILL No. 4939

July 2, 2003, Introduced by Reps. Sheltroun, Plakas and Lipsey and referred to the Committee on Government Operations.

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending sections 24, 33, and 35 (MCL 169.224, 169.233, and 169.235), section 24 as amended by 1999 PA 237, section 33 as amended by 1999 PA 238, and section 35 as amended by 2000 PA 75.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 24. (1) A committee shall file a statement of
2 organization with the filing officials designated in section 36
3 to receive the committee's campaign statements. A statement of
4 organization shall be filed within 10 days after a committee is
5 formed. A filing official shall maintain a statement of
6 organization filed by a committee until 5 years after the
7 official date of the committee's dissolution. A person who fails
8 to file a statement of organization required by this subsection
9 shall pay a late filing fee of \$10.00 for each business day the

1 statement remains not filed in violation of this subsection. The
2 late filing fee shall not exceed \$300.00. A person who violates
3 this subsection by failing to file for more than 30 days after a
4 statement of organization is required to be filed is guilty of a
5 misdemeanor punishable by a fine of not more than \$1,000.00.

6 (2) The statement of organization required by subsection (1)
7 shall include the following information:

8 (a) The name, street address, and if available, the telephone
9 number of the committee. If a committee is a candidate
10 committee, the committee name shall include the first and last
11 name of the candidate. A committee address may be the home
12 address of the candidate or treasurer of the committee.

13 (b) The name, street address, and if available, the telephone
14 number of the treasurer or other individual designated as
15 responsible for the committee's record keeping, report
16 preparation, or report filing.

17 (c) The name and address of the financial institution in
18 which the official committee depository is or is intended to be
19 located, and the name and address of each financial institution
20 in which a secondary depository is or is intended to be located.

21 (d) The full name of the office being sought by, including
22 district number or jurisdiction, and the county residence of each
23 candidate supported or opposed by the committee.

24 (e) A brief statement identifying the substance of each
25 ballot question supported or opposed by the committee. If the
26 ballot question supported or opposed by the committee is not
27 statewide, the committee shall identify the county in which the

1 greatest number of registered voters eligible to vote on the
2 ballot question reside.

3 (f) Identification of the committee as a candidate committee,
4 political party committee, independent committee, political
5 committee, or ballot question committee if it is identifiable as
6 such a committee.

7 (3) An independent committee or political committee shall
8 include in the name of the committee the name of the person or
9 persons that sponsor the committee, if any, or with whom the
10 committee is affiliated. A person, other than an individual or a
11 committee, sponsors or is affiliated with an independent
12 committee or political committee if that person establishes,
13 directs, controls, or financially supports the administration of
14 the committee. For the purposes of this subsection, a person
15 does not financially support the administration of a committee by
16 merely making a contribution to the committee.

17 (4) If any of the information required in a statement of
18 organization is changed, the committee shall file an amendment
19 when the next campaign statement is required to be filed. An
20 independent committee or political committee whose name does not
21 include the name of the person or persons that sponsor the
22 committee or with whom the committee is affiliated as required by
23 subsection (3) shall file an amendment to the committee's
24 statement of organization not later than the date the next
25 campaign statement is required to be filed after ~~the effective~~
26 ~~date of the amendatory act that added this sentence~~ **April 1,**
27 **1995.**

1 (5) When filing a statement of organization, a committee,
2 other than an independent committee, a political committee, or a
3 political party committee, may indicate in a written statement
4 signed by the treasurer of the committee that the committee does
5 not expect for each election to receive an amount in excess of
6 ~~-\$1,000.00-~~ **\$5,000.00** or expend an amount in excess of
7 ~~-\$1,000.00-~~ **\$5,000.00**.

8 (6) When filing a statement of organization, an independent
9 committee, a political committee, or a political party committee
10 may indicate in a written statement signed by the treasurer of
11 the committee that the committee does not expect in a calendar
12 year to receive or expend an amount in excess of ~~-\$1,000.00~~
13 **\$5,000.00**.

14 (7) Upon the dissolution of a committee, the committee shall
15 file a statement indicating dissolution with the filing officials
16 with whom the committee's statement of organization was filed.
17 Dissolution of a committee shall be accomplished pursuant to
18 rules promulgated by the secretary of state under the
19 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
20 24.328.

21 (8) A candidate committee that files a written statement
22 pursuant to subsection (5) shall not be required to file a
23 dissolution statement pursuant to subsection (7) if the committee
24 failed to receive or expend an amount in excess of ~~-\$1,000.00~~
25 **\$5,000.00** and 1 of the following applies:

26 (a) The candidate was defeated in an election and has no
27 outstanding campaign debts or assets.

1 (b) The candidate vacates an elective office and has no
2 outstanding campaign debts or assets.

3 Sec. 33. (1) A committee, other than an independent
4 committee or a political committee required to file with the
5 secretary of state, supporting or opposing a candidate shall file
6 complete campaign statements as required by this act and the
7 rules promulgated under this act. The campaign statements shall
8 be filed according to the following schedule:

9 (a) A preelection campaign statement shall be filed not later
10 than the eleventh day before an election. The closing date for a
11 campaign statement filed under this subdivision shall be the
12 sixteenth day before the election.

13 (b) A postelection campaign statement shall be filed not
14 later than the thirtieth day following the election. The closing
15 date for a campaign statement filed under this subdivision shall
16 be the twentieth day following the election. A committee
17 supporting a candidate who loses the primary election shall file
18 closing campaign statements in accordance with this section. If
19 all liabilities of such a candidate or committee are paid before
20 the closing date and additional contributions are not expected,
21 the campaign statement may be filed at any time after the
22 election, but not later than the thirtieth day following the
23 election.

24 (2) For the purposes of subsection (1):

25 (a) A candidate committee shall file a preelection campaign
26 statement and a postelection campaign statement for each election
27 in which the candidate seeks nomination or election, except if an

1 individual becomes a candidate after the closing date for the
2 preelection campaign statement only the postelection campaign
3 statement is required for that election.

4 (b) A committee other than a candidate committee shall file a
5 campaign statement for each period during which expenditures are
6 made for the purpose of influencing the nomination or election of
7 a candidate or for the qualification, passage, or defeat of a
8 ballot question.

9 (3) An independent committee or a political committee other
10 than a house political party caucus committee or senate political
11 party caucus committee required to file with the secretary of
12 state shall file campaign statements as required by this act
13 according to the following schedule:

14 (a) In an odd numbered year:

15 (i) Not later than January 31 of that year with a closing
16 date of December 31 of the previous year.

17 (ii) Not later than July 25 with a closing date of July 20.

18 (iii) Not later than October 25 with a closing date of
19 October 20.

20 (b) In an even numbered year:

21 (i) Not later than April 25 of that year with a closing date
22 of April 20 of that year.

23 (ii) Not later than July 25 with a closing date of July 20.

24 (iii) Not later than October 25 with a closing date of
25 October 20.

26 (4) A house political party caucus committee or a senate
27 political party caucus committee required to file with the

1 secretary of state shall file campaign statements as required by
2 this act according to the following schedule:

3 (a) Not later than January 31 of each year with a closing
4 date of December 31 of the immediately preceding year.

5 (b) Not later than April 25 of each year with a closing date
6 of April 20 of that year.

7 (c) Not later than July 25 of each year with a closing date
8 of July 20 of that year.

9 (d) Not later than October 25 of each year with a closing
10 date of October 20 of that year.

11 (e) For the period beginning on the fourteenth day
12 immediately preceding a primary or special primary election and
13 ending on the day immediately following the primary or special
14 primary election, not later than 4 p.m. each business day with a
15 closing date of the immediately preceding day, only for a
16 contribution received or expenditure made that exceeds \$1,000.00
17 per day.

18 (f) For the period beginning on the fourteenth day
19 immediately preceding a general or special election and ending on
20 the day immediately following the general or special election,
21 not later than 4 p.m. each business day with a closing date of
22 the immediately preceding day, only for a contribution received
23 or expenditure made that exceeds \$1,000.00 per day.

24 (5) Notwithstanding subsection (3) or (4) or section 51, if
25 an independent expenditure is made within 45 days before a
26 special election by an independent committee or a political
27 committee required to file a campaign statement with the

1 secretary of state, a report of the expenditure shall be filed by
2 the committee with the secretary of state within 48 hours after
3 the expenditure. The report shall be made on a form provided by
4 the secretary of state and shall include the date of the
5 independent expenditure, the amount of the expenditure, a brief
6 description of the nature of the expenditure, and the name and
7 address of the person to whom the expenditure was paid. The
8 brief description of the expenditure shall include either the
9 name of the candidate and the office sought by the candidate or
10 the name of the ballot question and shall state whether the
11 expenditure supports or opposes the candidate or ballot
12 question. This subsection does not apply if the committee is
13 required to report the independent expenditure in a campaign
14 statement that is required to be filed before the date of the
15 election for which the expenditure was made.

16 (6) A candidate committee or a committee other than a
17 candidate committee that files a written statement under section
18 24(5) or (6) need not file a campaign statement under subsection
19 (1), (3), or (4) unless it received or expended an amount in
20 excess of ~~-\$1,000.00-~~ **\$5,000.00**. If the committee receives or
21 expends an amount in excess of ~~-\$1,000.00-~~ **\$5,000.00** during a
22 period covered by a filing, the committee is then subject to the
23 campaign filing requirements under this act.

24 (7) A committee, candidate, treasurer, or other individual
25 designated as responsible for the committee's record keeping,
26 report preparation, or report filing who fails to file a
27 statement as required by this section shall pay a late filing

1 fee. If the committee has raised \$10,000.00 or less during the
2 previous 2 years, the late filing fee shall be \$25.00 for each
3 business day the statement remains unfiled, but not to exceed
4 \$500.00. If the committee has raised more than \$10,000.00 during
5 the previous 2 years, the late filing fee shall not exceed
6 \$1,000.00, determined as follows:

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

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

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

13 (8) If a candidate, treasurer, or other individual designated
14 as responsible for the committee's record keeping, report
15 preparation, or report filing fails to file 2 statements required
16 by this section or section 35 and both of the statements remain
17 unfiled for more than 30 days, that candidate, treasurer, or
18 other designated individual is guilty of a misdemeanor,
19 punishable by a fine of not more than \$1,000.00, or imprisonment
20 for not more than 90 days, or both.

21 (9) If a candidate is found guilty of a violation of this
22 section, the circuit court for that county, on application by the
23 attorney general or the prosecuting attorney of that county, may
24 prohibit that candidate from assuming the duties of a public
25 office or from receiving compensation from public funds, or
26 both.

27 (10) If a treasurer or other individual designated as

1 responsible for a committee's record keeping, report preparation,
2 or report filing knowingly files an incomplete or inaccurate
3 statement or report required by this section, that treasurer or
4 other designated individual is subject to a civil fine of not
5 more than \$1,000.00.

6 Sec. 35. (1) In addition to any other requirements of this
7 act for filing a campaign statement, a committee, other than an
8 independent committee or a political committee required to file
9 with the secretary of state, shall also file a campaign statement
10 not later than January 31 of each year. The campaign statement
11 shall have a closing date of December 31 of the previous year.
12 The period covered by the campaign statement filed pursuant to
13 this subsection begins the day after the closing date of the
14 previous campaign statement. A campaign statement filed pursuant
15 to this subsection shall be waived if a postelection campaign
16 statement has been filed that has a filing deadline within 30
17 days of the closing date of the campaign statement required by
18 this subsection.

19 (2) Subsection (1) does not apply to a candidate committee
20 for an officeholder who is a judge or a supreme court justice, or
21 who holds an elective office for which the salary is less than
22 \$100.00 a month and who does not receive any contribution or make
23 any expenditure during the time that would be otherwise covered
24 in the statement.

25 (3) A committee, candidate, treasurer, or other individual
26 designated as responsible for the record keeping, report
27 preparation, or report filing for a candidate committee of a

1 candidate for state elective office or a judicial office who
2 fails to file a campaign statement under this section shall be
3 assessed a late filing fee. If the committee has raised
4 \$10,000.00 or less during the previous 2 years, the late filing
5 fee shall be \$25.00 for each business day the campaign statement
6 remains unfiled, but not to exceed \$500.00. If the committee has
7 raised more than \$10,000.00 during the previous 2 years, the late
8 filing fee shall be \$50.00 for each business day the campaign
9 statement remains unfiled, but not to exceed \$1,000.00. The late
10 filing fee assessed under this subsection shall be paid by the
11 candidate, and the candidate shall not use committee funds to pay
12 that fee. A committee, treasurer, or other individual designated
13 as responsible for the record keeping, report preparation, or
14 report filing for a committee other than a candidate committee of
15 a candidate for state elective office or a judicial office who
16 fails to file a campaign statement under this section shall pay a
17 late filing fee of \$25.00 for each business day the campaign
18 statement remains not filed in violation of this section. The
19 late filing fee shall not exceed \$500.00.

20 (4) A committee filing a written statement pursuant to
21 section 24(5) or (6) need not file a statement in accordance with
22 subsection (1). If a committee receives or expends more than
23 ~~-\$1,000.00-~~ **\$5,000.00** during a time period prescribed by section
24 24(5) or (6), the committee is then subject to the campaign
25 filing requirements under this act and shall file a campaign
26 statement for the period beginning the day after the closing date
27 of the last postelection campaign statement or an annual campaign

1 statement that is waived pursuant to subsection (1), whichever
2 occurred earlier.

3 (5) If a candidate, treasurer, or other individual designated
4 as responsible for the record keeping, report preparation, or
5 report filing fails to file 2 statements required by this section
6 or section 33 and both of the statements remain unfiled for more
7 than 30 days, that candidate, treasurer, or other designated
8 individual is guilty of a misdemeanor, punishable by a fine of
9 not more than \$1,000.00, or imprisonment for not more than 90
10 days, or both.

11 (6) If a treasurer or other individual designated as
12 responsible for the record keeping, report preparation, or report
13 filing for a committee required to file a campaign statement
14 under subsection (1) knowingly files an incomplete or inaccurate
15 statement or report required by this section, that treasurer or
16 other designated individual is subject to a civil fine of not
17 more than \$1,000.00.