



Senate Fiscal Agency  
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## BILL ANALYSIS



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Senate Bill 571 (as reported without amendment)  
Sponsor: Senator Mike Kowall  
Committee: Elections and Government Reform

**CONTENT**

The bill would amend provisions of the Michigan Campaign Finance Act concerning contributions to separate segregated funds, to do the following:

- Allow contributions to be collected by or made payable first to the connected organization that established the fund for subsequent transmission to the fund.
- Specify that such contributions would not be considered to be commingled with other funds of the connected organization if various conditions were met.
- Delete a requirement that an individual affirmatively consent at least once every year to contributing to a separate segregated fund on an automatic basis.

A "connected organization" would be a for-profit or nonprofit corporation, a joint stock company, a labor organization, or a domestic dependent sovereign. The Act allows these entities to make an expenditure for the establishment and administration of, and solicitation of contributions to, a separate segregated fund to be used for political purposes.

The bill also would add a definition of "commingled".

MCL 169.203 et al.

Legislative Analyst: Suzanne Lowe

**FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on State and local government. A person who violates the current prohibition against commingling is subject to a maximum civil fine of \$1,000. A person who knowingly violates Section 55 of the Act, which governs separate segregated funds, is guilty of a felony. It is not known whether the bill would increase or decrease felony dispositions under the Act, which have not occurred since at least 1999.

An increase in felony prosecutions and convictions could increase resource demands on local court systems, law enforcement, and jails or prisons. For any increase in prison intakes, in the short term, the marginal cost to State government would be approximately \$3,764 per prisoner per year. In the long term, if the increased intake of prisoners increased the total prisoner population enough to require the Department of Corrections to open a housing unit or an entire facility, the marginal cost to State government would be approximately \$34,550 per prisoner per year. Any associated increase in fine revenue would increase funding to public libraries.

Conversely, to the extent that the bill prevented felony prosecutions and convictions, costs would be avoided.

Date Completed: 10-29-15

Fiscal Analyst: Ryan Bergan

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