

LEGAL DEFENSE FUND ACT (EXCERPT)
Act 288 of 2008

15.523 Definitions.

Sec. 3.

As used in this act:

(a) "Contribution" means a payment, gift, subscription, assessment, expenditure, contract, payment for services, dues, advance, forbearance, loan, or donation of money or anything of ascertainable monetary value, or a transfer of anything of ascertainable monetary value to a person, made for or allocated to the purpose of defending an elected official in a criminal, civil, or administrative action that arises directly out of the conduct of the elected official's governmental duties. Contribution includes an officer holder's own money or property, other than the officer holder's homestead, used on behalf of the officer holder's defense, the granting of discounts or rebates not available to the general public, and the endorsing or guaranteeing of a loan for the amount the endorser or guarantor is liable. Contribution does not include an offer or tender of a contribution if expressly and unconditionally rejected, returned, or refunded within 30 business days after receipt.

(b) "Elected official" means an individual who holds an elective office in state or local government in this state.

(c) "Elective office" means a public office filled by an election. A person who is appointed to fill a vacancy in a public office that is ordinarily elective holds an elective office. Elective office does not include the office of precinct delegate. Elective office does not include a school board member in a school district that has a pupil membership of 2,400 or less enrolled on the most recent pupil membership count day. Elective office does not include a federal office.

(d) "Financial institution" means a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and that maintains a principal office or branch office located in this state under the laws of this state or the United States.

(e) "Legal defense fund" means all contributions received, held, or expended for the legal defense of an elected official. For purposes of this act, a legal defense fund does not include a fund of a local government association that is an exempt organization under section 501(c)(4) of the internal revenue code of 1986, 26 USC 501, or of a local government organization, if money in the organization's fund is composed of money that is excluded from the definition of gross income under section 115 of the internal revenue code of 1986, 26 USC 115.

(f) "Person" means a business, individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, labor organization, company, corporation, association, committee, or any other organization or group of persons acting jointly.

(g) "Treasurer" means the individual designated as responsible for a legal defense fund's record keeping, report preparation, or report filing or, in the absence of such an individual, the elected official who is the beneficiary of the legal defense fund.

History: 2008, Act 288, Imd. Eff. Oct. 6, 2008