

## **SENATE BILL No. 231**

February 2, 1995, Introduced by Senator STILLE and referred to the Committee on Government Operations.

A bill to amend sections 8, 52, and 69 of Act No. 388 of the Public Acts of 1976, entitled as amended "Michigan campaign finance act," sections 8 and 52 as amended by Act No. 117 of the Public Acts of 1994 and section 69 as amended by Act No. 95 of the Public Acts of 1989, being sections 169.208, 169.252, and 169.269 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- Section 1. Sections 8, 52, and 69 of Act No. 388 of the
- 2 Public Acts of 1976, sections 8 and 52 as amended by Act No. 117
- 3 of the Public Acts of 1994 and section 69 as amended by Act
- 4 No. 95 of the Public Acts of 1989, being sections 169.208,
- 5 169.252, and 169.269 of the Michigan Compiled Laws, are amended
- 6 to read as follows:

- Sec. 8. (1) "Immediate family" means -any A child residing
- 2 in a candidate's household, the candidate's spouse, or any
- 3 individual claimed by that candidate or that candidate's spouse
- 4 as a dependent for federal income tax purposes.
- 5 (2) "Independent committee" means a committee, other than a
- 6 political party committee, -which THAT before contributing to a
- 7 candidate committee of a candidate for state elective office
- 8 under section -52(3) 52(1) or -69(2) 69(1) files a statement of
- 9 organization as an independent committee at least 6 months before
- 10 an election for which it expects to accept contributions or make
- 11 expenditures in support of or in opposition to a candidate for
- 12 nomination to or election to a state elective office; and
- 13 receives contributions from at least 25 persons and makes expen-
- 14 ditures not to exceed the limitations of section 52(1) in support
- 15 of or in opposition to 3 or more candidates for nomination for or
- 16 election to a state elective office in the same calendar year.
- 17 Sec. 52. (1) Except as provided in subsection -(7) (5), a
- 18 person other than an independent committee or a political party
- 19 committee shall not make contributions to a candidate committee
- 20 of a candidate for state elective office that, with respect to an
- 21 election cycle, are more than the following:
- (a) \$3,400.00 for a candidate for state elective office
- 23 other than the office of state legislator.
- 24 (b) \$1,000.00 for a candidate for state senator.
- (c) \$500.00 for a candidate for state representative.
- 26 (2) For the purpose of subsection (1), "with respect to an
- 27 election cycle" means 1 of the following:

- 1 (a) For a general election, the period beginning the day
  2 following the last general election in which the office appeared
  3 on the ballot and ending on the day of the next general election
  4 in which the office next appears on the ballot.
- 5 (b) For a special election, the period beginning the day a 6 special general election is scheduled or the date the office 7 becomes vacant, whichever is earlier, and ending on the day of 8 the special general election.
- 9 (3) An independent committee shall not make contributions
  10 to a candidate committee of a candidate for state elective office
  11 that, in the aggregate for that election cycle, are more than 10
  12 times the amount permitted a person other than an independent
  13 committee or political party committee in subsection (1).
- (3) -(4) A political party committee other than a state

  15 central committee shall not make contributions to the candidate

  16 committee of a candidate for state elective office that are more

  17 than 10 times the amount permitted a person other than an inde
  18 pendent committee or A political party committee in subsection

  19 (1).
- 20 (4) (5) A state central committee of a political party
  21 shall not make contributions to the candidate committee of a can22 didate for state elective office other than a candidate for the
  23 legislature that are more than 20 times the amount permitted a
  24 person other than an independent committee or A political party
  25 committee in subsection (1). A state central committee of a
  26 political party shall not make contributions to the candidate
  27 committee of a candidate for state senator or state

- 1 representative that are more than 10 times the amount permitted a
- 2 person other than an independent committee or A political party
- 3 committee in subsection (1).
- 4 (5) (6) A contribution from a member of a candidate's
- 5 immediate family to the candidate committee of that candidate is
- 6 exempt from the limitations of subsection (1).
- 7 (6) -(7) Consistent with the provisions of this section, a
- 8 contribution designated in writing for a particular election
- 9 cycle shall be considered made for that election cycle. A con-
- 10 tribution made after the close of a particular election cycle and
- 11 designated in writing for that election cycle shall be made only
- 12 to the extent that the contribution does not exceed the candidate
- 13 committee's net outstanding debts and obligations from the elec-
- 14 tion cycle so designated. If a contribution is not designated in
- 15 writing for a particular election cycle, the contribution shall
- 16 be considered made for the election cycle that corresponds to the
- 17 date of the written instrument.
- 18 (7) (8) A candidate committee, a candidate, or a treasurer
- 19 or agent of a candidate committee shall not accept a contribution
- 20 with respect to an election cycle that exceeds the limitations in
- 21 subsection (1), (3), OR (4). , or (5).
- 22 (9) For the purposes of this act, a contribution made or
- 23 received before June 21, 1989 is considered to be made with
- 24 respect to an election cycle.
- (8) -(10) A person who knowingly violates this section is
- 26 guilty of a misdemeanor punishable, if the person is an
- 27 individual, by a fine of not more than \$1,000.00 or imprisonment

- 1 for not more than 90 days, or both, or, if the person is not an
- 2 individual, by a fine of not more than \$10,000.00.
- 3 (9) -(11) For purposes of the limitations provided in
- 4 subsections SUBSECTION (1), and (3), all contributions made
- 5 by political committees or independent committees established by
- 6 any corporation, joint stock company, or labor organization,
- 7 including any parent, subsidiary, branch, division, department,
- 8 or local unit thereof, shall be considered to have been made by a
- 9 single independent committee. By way of illustration and not
- 10 limitation, all of the following apply as a result of the appli-
- 11 cation of this requirement:
- 12 (a) All of the political committees and independent commit-
- 13 tees established by a for profit corporation or joint stock com-
- 14 pany, by a subsidiary of the for profit corporation or joint
- 15 stock company, or by any combination thereof, are treated as a
- 16 single independent committee.
- 17 (b) All of the political committees and independent commit-
- 18 tees established by a single national or international labor
- 19 organization, by a labor organization of that national or inter-
- 20 national labor organization, by a local labor organization of
- 21 that national or international labor organization, or by any
- 22 other subordinate organization of that national or international
- 23 labor organization, or by any combination thereof, are treated as
- 24 a single independent committee.
- 25 (c) All of the political committees and independent commit-
- 26 tees established by an organization of national or international
- 27 unions, by a state central body of that organization, by a local

- 1 central body of that organization, or by any combination thereof,
- 2 are treated as a single independent committee.
- 3 (d) All of the political committees and independent commit-
- 4 tees established by a nonprofit corporation, by a related state
- 5 entity of that nonprofit corporation, by a related local entity
- 6 of that nonprofit corporation, or by any combination thereof, are
- 7 treated as a single independent committee.
- 8 Sec. 69. (1) Except as provided in subsection  $\frac{-(6)}{-(6)}$  (5), a
- 9 person other than an independent committee or a political party
- 10 committee shall not make contributions to a candidate committee
- 11 of a candidate which THAT are more than \$3,400.00 in value for
- 12 an election cycle.
- 13 (2) An independent committee shall not make contributions
- 14 to a candidate committee which, for that election cycle are more
- 15 than 10 times the amount permitted a person other than an inde-
- 16 pendent committee or political party committee in subsection
- 17 (1).
- 18 (2) -(3) A political party committee that is a state cen-
- 19 tral committee shall not make contributions to a candidate com-
- 20 mittee -which THAT for an election cycle are more than
- 21 \$750,000.00.
- 22 (3) (4) A political party committee that is a congressio-
- 23 nal district or county committee shall not make contributions to
- 24 a candidate committee which THAT for an election cycle are more
- 25 than \$30,000.00.
- 26 (4)  $\frac{(5)}{}$  A candidate committee, a candidate, or a treasurer
- 27 or agent shall not accept a contribution with respect to an

- 1 election cycle that exceeds a limitation in subsections (1) to 2 (4) (3).
- 3 (5)  $\frac{-(6)}{}$  As used in this subsection, "immediate family"
- 4 means a spouse, parent, brother, sister, son, or daughter. A
- 5 candidate and members of that candidate's immediate family may
- 6 not contribute in total to that person's candidate committee an
- 7 amount -which- THAT is more than \$50,000.00 in value for an elec-
- 8 tion cycle.
- 9 (6) -(7)— Section 52(2) and -52(7)— (6) apply to determining
- 10 when an election cycle begins and ends and to which election
- 11 cycle a particular contribution shall be attributed.
- 12 (7)  $\frac{(8)}{}$  The candidate committee of a candidate for gover-
- 13 nor that does not make application for FUNDS FROM THE state cam-
- 14 paign funds FUND and that accepts from the candidate and the
- 15 candidate's immediate family contributions that total for an
- 16 election cycle more than \$340,000.00 shall notify the secretary
- 17 of state in writing within 48 hours after receipt of this
- 18 amount. Within 2 business days after receipt of this notice, the
- 19 secretary of state shall send notice to all candidates who are
- 20 either seeking the same nomination, in the case of a primary
- 21 election, or election to that same office, in the case of a gen-
- 22 eral election, informing those candidate committees of all of the
- 23 following:
- (a) That the expenditure limits provided in section 67 are
- 25 waived for the remainder of that election for those notified can-
- 26 didate committees that receive FUNDS FROM THE state campaign
- 27 funds FUND under this act.

- 1 (b) That the expenditure limits of section 67 are not waived 2 for the purpose of determining the amount of public funds avail-3 able to a candidate under section 64 or 65.
- 4 (8) (9) A person who knowingly violates this section is 5 guilty of a misdemeanor punishable, if the person is an individu-6 al, by a fine of not more than \$1,000.00 — or imprisonment for 7 not more than 90 days, or both, or, if the person is not an indi-8 vidual, by a fine of not more than \$10,000.00.
- 9 Section 2. This amendatory act shall take effect April 1,10 1995.