SENATE BILL NO. 89

January 26, 1999, Introduced by Senator PETERS and referred to the Committee on Government Operations.

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act,"

by amending section 52 (MCL 169.252), as amended by 1996 PA 590.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 52. (1) Except as provided in subsection (5) and
- 2 subject to subsection (8), a person other than an independent
- 3 committee or a political party committee shall not make contribu-
- 4 tions to a candidate committee of a candidate for elective office
- 5 that, with respect to an election cycle, are more than the
- 6 following:
- 7 (a) $\frac{$3,400.00}{}$ \$1,700.00 for a candidate for state elective
- 8 office other than the office of state legislator, or for a candi-
- 9 date for local elective office if the district from which he or
- 10 she is seeking office has a population of more than 250,000.

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- 1 (b) $\frac{$1,000.00}{}$ \$500.00 for a candidate for state senator,
- 2 or for a candidate for local elective office if the district from
- 3 which he or she is seeking office has a population of more than
- 4 85,000 but 250,000 or less.
- 5 (c) $\frac{$500.00}{}$ \$250.00 for a candidate for state representa-
- 6 tive, or for a candidate for local elective office if the dis-
- 7 trict from which he or she is seeking office has a population of
- **8** 85,000 or less.
- 9 (2) Except as otherwise provided in this subsection, an
- 10 independent committee shall not make contributions to a candidate
- 11 committee of a candidate for elective office that, in the aggre-
- 12 gate for that election cycle, are more than 10 times the amount
- 13 permitted a person other than an independent committee or politi-
- 14 cal party committee in subsection (1). A house political party
- 15 caucus committee or a senate political party caucus committee is
- 16 not limited under this subsection in the amount of contributions
- 17 made to the candidate committee of a candidate for the office of
- 18 state legislator, except as follows:
- 19 (a) A house political party caucus committee or a senate
- 20 political party caucus committee shall not pay a debt incurred by
- 21 a candidate if that debt was incurred while the candidate was
- 22 seeking nomination at a primary election and the candidate was
- 23 opposed at that primary.
- 24 (b) A house political party caucus committee or a senate
- 25 political party caucus committee shall not make a contribution to
- 26 or make an expenditure on behalf of a candidate if that candidate

- 1 is seeking nomination at a primary election and the candidate is
- 3 (3) A political party committee other than a state central
- 4 committee shall not make contributions to the candidate committee
- 5 of a candidate for elective office that are more than 10 times
- 6 the amount permitted a person other than an independent committee
- 7 or political party committee in subsection (1).
- **8** (4) A state central committee of a political party shall not
- 9 make contributions to the candidate committee of a candidate for
- 10 state elective office other than a candidate for the legislature
- 11 that are more than 20 times the amount permitted a person other
- 12 than an independent committee or political party committee in
- 13 subsection (1). A state central committee of a political party
- 14 shall not make contributions to the candidate committee of a can-
- 15 didate for state senator, state representative, or local elective
- 16 office that are more than 10 times the amount permitted a person
- 17 other than an independent committee or political party committee
- 18 in subsection (1).

2 opposed at that primary.

- 19 (5) A contribution from a member of a candidate's immediate
- 20 family to the candidate committee of that candidate is exempt
- 21 from the limitations of subsection (1).
- 22 (6) Consistent with the provisions of this section, a con-
- 23 tribution designated in writing for a particular election cycle
- 24 is considered made for that election cycle. A contribution made
- 25 after the close of a particular election cycle and designated in
- 26 writing for that election cycle shall be made only to the extent
- 27 that the contribution does not exceed the candidate committee's

- 1 net outstanding debts and obligations from the election cycle so
- 2 designated. If a contribution is not designated in writing for a
- 3 particular election cycle, the contribution is considered made
- 4 for the election cycle that corresponds to the date of the writ-
- 5 ten instrument.
- 6 (7) A candidate committee, a candidate, or a treasurer or
- 7 agent of a candidate committee shall not accept a contribution
- 8 with respect to an election cycle that exceeds the limitations in
- **9** subsection (1), (2), (3), or (4).
- 10 (8) The REDUCTION OF THE contribution limits in
- 11 subsection (1) for -a candidate for local elective office ALL
- 12 CANDIDATES are effective on the effective date of the amendatory
- 13 act that provides for those contribution limits, however, only
- 14 contributions received by that candidate on and after that date
- 15 shall be used to determine if the contribution limit has been
- 16 reached FOR ELECTION CYCLES THAT BEGIN AFTER THE EFFECTIVE DATE
- 17 OF THE AMENDATORY ACT THAT PROVIDED FOR THAT REDUCTION.
- 18 (9) AN INDIVIDUAL SHALL NOT MAKE CONTRIBUTIONS TO A STATE
- 19 CENTRAL COMMITTEE THAT EXCEED \$5,000.00 IN A CALENDAR YEAR. A
- 20 STATE CENTRAL COMMITTEE SHALL NOT ACCEPT A CONTRIBUTION WITH
- 21 RESPECT TO A CALENDAR YEAR THAT EXCEEDS THE LIMITATION IN THIS
- 22 SUBSECTION.
- 23 (10) $\overline{(9)}$ A person who knowingly violates this section is
- 24 guilty of a misdemeanor punishable, if the person is an individu-
- 25 al, by a fine of not more than \$1,000.00 or imprisonment for not
- 26 more than 90 days, or both, or, if the person is not an
- 27 individual, by a fine of not more than \$10,000.00.

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

- 1 (d) All of the political committees and independent
- 2 committees established by a nonprofit corporation, by a related
- 3 state entity of that nonprofit corporation, by a related local
- 4 entity of that nonprofit corporation, or by any combination
- 5 thereof, are treated as a single independent committee.

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