

HOUSE BILL No. 5531

December 13, 2001, Introduced by Rep. Kolb and referred to the Committee on Redistricting and Elections.

A bill to amend 1976 PA 388, entitled "Michigan campaign finance act," by amending sections 3, 5, 7, 9, 10, 11, 12, 51, and 52 (MCL 169.203, 169.205, 169.207, 169.209, 169.210, 169.211, 169.212, 169.251, and 169.252), sections 3 and 51 as amended by 1989 PA 95, section 5 as amended by 1999 PA 237, section 7 as amended by 1994 PA 385, and sections 9, 11, 12, and 52 as amended by 1996 PA 590, and by adding sections 33b, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 106, 107, 108, and 109; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) "Candidate" means an individual WHO MEETS 1 OF
2 THE FOLLOWING CRITERIA:
3 (a) ~~who files~~ FILES a fee, affidavit of incumbency, or
4 nominating petition for an elective office. →

1 (b) ~~whose nomination~~ IS NOMINATED as a candidate for
2 elective office by a political party caucus or convention AND THE
3 NOMINATION is certified to the appropriate filing official. ~~→~~

4 (c) ~~who receives~~ RECEIVES a contribution, makes an expen-
5 diture, or gives consent for another person to receive a contri-
6 bution or make an expenditure with a view to bringing about the
7 individual's nomination or election to an elective office,
8 whether or not the specific elective office for which the indi-
9 vidual will seek nomination or election is known at the time the
10 contribution is received or the expenditure is made. ~~→ or~~

11 (d) ~~who is~~ IS an officeholder who is the subject of a
12 recall vote. ~~Unless~~

13 (E) HOLDS AN ELECTIVE OFFICE, UNLESS the officeholder is
14 constitutionally or legally barred from seeking reelection or
15 fails to file for reelection to that office by the applicable
16 filing deadline. ~~, an elected officeholder shall be~~ AN INDIVID-
17 UAL DESCRIBED IN THIS SUBDIVISION IS considered to be a candidate
18 for reelection to that same office for the purposes of this act
19 only.

20 ~~For purposes of sections 61 to 71, "candidate" only means,~~
21 ~~in a primary election, a candidate for the office of governor~~
22 ~~and, in a general election, a candidate for the office of gover-~~
23 ~~nor or lieutenant governor. However, the candidates for the~~
24 ~~office of governor and lieutenant governor of the same political~~
25 ~~party in a general election shall be considered as 1 candidate.~~

26 (2) "Candidate committee" means the committee designated in
27 a candidate's filed statement of organization as that

1 individual's candidate committee. A candidate committee shall be
2 under the control and direction of the candidate named in the
3 same statement of organization. Notwithstanding subsection ~~(4)~~
4 (5), an individual shall form a candidate committee ~~pursuant to~~
5 UNDER section 21 when the individual becomes a candidate under
6 subsection (1).

7 (3) "CERTIFIED CANDIDATE" MEANS A CANDIDATE RUNNING FOR THE
8 OFFICE OF GOVERNOR, STATE SENATOR, OR STATE REPRESENTATIVE WHO
9 CHOOSES TO PARTICIPATE UNDER THE PUBLIC CAMPAIGN LAW AND WHO IS
10 CERTIFIED AS A PUBLIC CAMPAIGN LAW CANDIDATE UNDER SECTION 97.

11 (4) ~~(3)~~ "Closing date" means the date through which a cam-
12 paign statement is required to be complete.

13 (5) ~~(4)~~ "Committee" means a person who receives contribu-
14 tions or makes expenditures for the purpose of influencing or
15 attempting to influence the action of the voters for or against
16 the nomination or election of a candidate, or the qualification,
17 passage, or defeat of a ballot question, if contributions
18 received total \$500.00 or more in a calendar year or expenditures
19 made total \$500.00 or more in a calendar year. An individual,
20 other than a candidate, does not constitute a committee. A
21 person, other than a committee registered under this act,
22 ~~making~~ WHO MAKES an expenditure to a ballot question committee,
23 ~~shall~~ for that reason, IS not ~~be~~ considered a committee for
24 the purposes of this act unless the person solicits or receives
25 contributions for the purpose of making an expenditure to that
26 ballot question committee.

1 Sec. 5. (1) "Domestic dependent sovereign" means an Indian
2 tribe that has been acknowledged, recognized, restored, or
3 reaffirmed as an Indian tribe by the secretary of the interior
4 ~~pursuant to~~ AS PROVIDED IN chapter 576, 48 Stat. 984, 25
5 U.S.C. 461 to 463, 464 to 465, 466 to 470, 471 to 472, 473, 474
6 to 475, 476 to 478, and 479, commonly referred to as the Indian
7 reorganization act, or has otherwise been acknowledged by the
8 United States government as an Indian tribe.

9 (2) "Election" means a primary, general, special, or millage
10 election held in this state or a convention or caucus of a polit-
11 ical party held in this state to nominate a candidate. Election
12 includes a recall vote.

13 (3) "Election cycle" means 1 of the following:

14 (a) For a general election OR OTHER REGULARLY SCHEDULED
15 ELECTION, the period beginning the day following the last general
16 election OR OTHER REGULARLY SCHEDULED ELECTION in which the
17 office appeared on the ballot and ending on the day of the gen-
18 eral election OR OTHER REGULARLY SCHEDULED ELECTION in which the
19 office next appears on the ballot.

20 (b) For a special election, the period beginning the day a
21 special general election is called or the date the office becomes
22 vacant, whichever is earlier, and ending on the day of the spe-
23 cial general election.

24 (4) "Elective office" means a public office filled by an
25 election. A person who is appointed to fill a vacancy in a
26 public office that is ordinarily elective holds an elective
27 office. Elective office does not include the office of precinct

1 delegate. Except for the purposes of sections 47, 54, and 55,
2 elective office does not include a school board member in a
3 school district that has a pupil membership of 2,400 or less
4 enrolled on the most recent pupil membership count day. However,
5 elective office includes a school board member in a school dis-
6 trict that has a pupil membership of 2,400 or less, if a candi-
7 date committee of a candidate for the office of school board
8 member in that school district receives an amount in excess of
9 \$1,000.00 or expends an amount in excess of \$1,000.00. Elective
10 office does not include a federal office except for the purposes
11 of section 57.

12 Sec. 7. (1) "Filed" means the receipt by the appropriate
13 filing official of a statement or report required to be filed
14 under this act.

15 (2) "Filer" means a person required to file a statement or
16 report ~~pursuant to~~ UNDER this act.

17 (3) "Filing official" means the official designated
18 ~~pursuant to~~ UNDER this act to receive required statements and
19 reports.

20 (4) "FUND" MEANS THE PUBLIC CAMPAIGN FUND ESTABLISHED IN
21 SECTION 92.

22 (5) ~~(4)~~ "Fund raising event" means an event such as a
23 dinner, reception, testimonial, rally, auction, bingo, or similar
24 affair through which contributions are solicited or received by
25 purchase of a ticket, payment of an attendance fee, making a
26 donation, purchase of chances for prizes, or purchase of goods or
27 services.

1 (6) ~~-(5)-~~ "Gift" means a payment, subscription, advance,
2 forbearance, rendering, or deposit of money, services, or any-
3 thing of value, unless consideration of equal or greater value is
4 given in exchange.

5 (7) ~~-(6)-~~ "Honorarium" means a payment of money to a person
6 holding elective office as consideration for an appearance, a
7 speech, an article, or any activity related to or associated with
8 the performance of duties as an elected official. An honorarium
9 does not include any of the following:

10 (a) Reimbursement for the cost of transportation, accommoda-
11 tions, or meals for the person.

12 (b) Wages, salaries, other employee compensation, and
13 expenses authorized to be paid by this state or a political sub-
14 division of this state to the person holding elective office.

15 (c) An award.

16 Sec. 9. (1) "Incidental expense" means an expenditure that
17 is an ordinary and necessary expense, as described in section 162
18 of the internal revenue code of 1986, ~~-26 U.S.C. 162,~~ paid or
19 incurred in carrying out the business of an elective office.

20 Incidental expense includes, but is not limited to, any of the
21 following:

22 (a) A disbursement necessary to assist, serve, or communi-
23 cate with a constituent.

24 (b) A disbursement for equipment, furnishings, or supplies
25 for the office of the public official.

26 (c) A disbursement for a district office if the district
27 office is not used for campaign-related activity.

1 (d) A disbursement for the public official or his or her
2 staff, or both, to attend a conference, meeting, reception, or
3 other similar event.

4 (e) A disbursement to maintain a publicly owned residence or
5 a temporary residence at the seat of government.

6 (f) An unreimbursed disbursement for travel, lodging, meals,
7 or other expenses incurred by the public official, a member of
8 the public official's immediate family, or a member of the public
9 official's staff in carrying out the business of the elective
10 office.

11 (g) A donation to a tax-exempt charitable organization,
12 including the purchase of tickets to charitable or civic events.

13 (h) A disbursement to a ballot question committee.

14 (i) A purchase of tickets for use by that public official
15 and members of his or her immediate family and staff to a
16 fund-raising event sponsored by a candidate committee, indepen-
17 dent committee, political party committee, or a political commit-
18 tee that does not exceed \$100.00 per committee in any calendar
19 year.

20 (j) A disbursement for an educational course or seminar that
21 maintains or improves skills employed by the public official in
22 carrying out the business of the elective office.

23 (k) A purchase of advertisements in testimonials, program
24 books, souvenir books, or other publications if the advertisement
25 does not support or oppose the nomination or election of a
26 candidate.

1 (l) A disbursement for consultation, research, polling, and
2 photographic services not related to a campaign.

3 (m) A fee paid to a fraternal, veteran, or other service
4 organization.

5 (n) A payment of a tax liability incurred as a result of
6 authorized transactions by the candidate committee of the public
7 official.

8 (o) A fee for accounting, professional, or administrative
9 services for the candidate committee of the public official.

10 (p) A debt or obligation incurred by the candidate committee
11 of a public official for a disbursement authorized by subdivi-
12 sions (a) to (o), if the debt or obligation was reported in the
13 candidate committee report filed for the year in which the debt
14 or obligation arose.

15 (2) "Independent expenditure" means an expenditure by a
16 person ~~if the expenditure is not made at the direction of, or~~
17 ~~under the control of, another person and if the expenditure is~~
18 ~~not a contribution to a committee~~ FOR A COMMUNICATION EXPRESSLY
19 ADVOCATING THE ELECTION OR DEFEAT OF A CANDIDATE OR THE PASSAGE
20 OR DEFEAT OF A BALLOT QUESTION, IF THE COMMUNICATION IS NOT MADE
21 WITH THE COOPERATION OF, WITH THE PRIOR CONSENT OF, IN CONSULTA-
22 TION WITH, OR AT THE REQUEST OR SUGGESTION OF A CANDIDATE, CANDI-
23 DATE COMMITTEE, OR BALLOT QUESTION COMMITTEE.

24 (3) "In-kind contribution or expenditure" means a contribu-
25 tion or expenditure other than money.

26 (4) "ISSUE ADVERTISEMENT" MEANS A COMMUNICATION THROUGH A
27 BROADCASTING STATION, NEWSPAPER, MAGAZINE, OUTDOOR ADVERTISING

1 FACILITY, MAILING, OR ANY OTHER TYPE OF GENERAL PUBLIC POLITICAL
2 ADVERTISING THAT MEETS ALL OF THE FOLLOWING REQUIREMENTS:

3 (A) THE PURCHASE OF WHICH IS NOT AN INDEPENDENT EXPENDITURE
4 OR CONTRIBUTION.

5 (B) COSTS, IN THE AGGREGATE, \$1,000.00 OR MORE.

6 (C) CONTAINS THE NAME OR LIKENESS OF A CANDIDATE.

7 (D) RECOMMENDS A POSITION ON A POLITICAL ISSUE.

8 (5) ~~(4)~~ "Loan" means a transfer of money, property, or
9 anything of ascertainable monetary value in exchange for an obli-
10 gation, conditional or not, to repay in whole or part.

11 (6) ~~(5)~~ "Local elective office" means an elective office
12 at the local unit of government level. Local elective office
13 also includes judge of the court of appeals, judge of the circuit
14 court, ~~judge of the recorder's court of the city of Detroit,~~
15 judge of the district court, judge of the probate court, and
16 judge of a municipal court.

17 (7) ~~(6)~~ "Local unit of government" means a district,
18 authority, county, city, village, township, board, school dis-
19 trict, intermediate school district, or community college
20 district.

21 Sec. 10. (1) "Major political party" means a political
22 party qualified to have its name listed on the general election
23 ballot whose candidate for governor received 25% or more of the
24 popular vote cast in the preceding gubernatorial election. If
25 only 1 political party received 25% or more of the popular vote
26 cast for governor in the preceding gubernatorial election, then

1 the political party with the second highest vote ~~shall be~~
2 ~~deemed~~ IS a major party.

3 (2) "Minor political party" means a political party quali-
4 fied to have its name listed on the general election ballot but
5 which does not qualify as a major party.

6 (3) "Nominee" means an individual nominated to be a
7 candidate.

8 (4) "NONPARTICIPATING CANDIDATE" MEANS A CANDIDATE RUNNING
9 FOR THE OFFICE OF GOVERNOR, STATE SENATOR, OR STATE REPRESENTA-
10 TIVE WHO DOES NOT CHOOSE TO PARTICIPATE UNDER THE PUBLIC CAMPAIGN
11 LAW AND WHO IS NOT SEEKING TO BE CERTIFIED AS A PUBLIC CAMPAIGN
12 LAW CANDIDATE UNDER SECTION 97.

13 Sec. 11. (1) "PARTICIPATING CANDIDATE" MEANS A CANDIDATE
14 WHO IS RUNNING FOR THE OFFICE OF GOVERNOR, STATE SENATOR, OR
15 STATE REPRESENTATIVE WHO IS SEEKING TO BE CERTIFIED AS A PUBLIC
16 CAMPAIGN LAW CANDIDATE UNDER SECTION 97.

17 (2) ~~(1)~~ "Person" means a business, individual, proprietor-
18 ship, firm, partnership, joint venture, syndicate, business
19 trust, labor organization, company, corporation, association,
20 committee, or any other organization or group of persons acting
21 jointly.

22 (3) ~~(2)~~ "Political committee" means a committee that is
23 not a candidate committee, political party committee, independent
24 committee, or ballot question committee.

25 (4) ~~(3)~~ "Political merchandise" means goods such as bumper
26 stickers, pins, hats, beverages, literature, or other items sold
27 by a person at a fund raiser or to the general public for

1 publicity or for the purpose of raising funds to be used in
2 supporting or opposing a candidate for nomination for or election
3 to an elective office or in supporting or opposing the qualifica-
4 tion, passage, or defeat of a ballot question.

5 (5) ~~(4)~~ "Political party" means a political party ~~which~~
6 THAT has a right under law to have the names of its candidates
7 listed on the ballot in a general election.

8 (6) ~~(5)~~ "Political party committee" means a state central,
9 district, or county committee of a political party ~~which~~ THAT
10 is a committee. Each state central committee shall designate the
11 official party county and district committees. There shall not
12 be more than 1 officially designated political party committee
13 per county and per congressional district.

14 (7) ~~(6)~~ "Public body" means 1 or more of the following:

15 (a) A state agency, department, division, bureau, board,
16 commission, council, authority, or other body in the executive
17 branch of state government.

18 (b) The legislature or an agency, board, commission, or
19 council in the legislative branch of state government.

20 (c) A county, city, township, village, intercounty, inter-
21 city, or regional governing body; a council, school district,
22 special district, or municipal corporation; or a board, depart-
23 ment, commission, or council or an agency of a board, department,
24 commission, or council.

25 (d) Any other body that is created by state or local author-
26 ity or is primarily funded by or through state or local

1 authority, which body exercises governmental or proprietary
2 authority or performs a governmental or proprietary function.

3 (8) "PUBLIC CAMPAIGN LAW" MEANS THE ALTERNATIVE CAMPAIGN
4 FINANCE PROVISIONS CONTAINED IN SECTIONS 91 TO 109.

5 Sec. 12. (1) "Qualifying contribution" means a contribution
6 ~~of money made by a written instrument by an individual to the~~
7 ~~candidate committee of a candidate for the office of governor~~
8 ~~that is \$100.00 or less and made after April 1 of the year pre-~~
9 ~~ceding a year in which a governor is to be elected. Not more~~
10 ~~than \$100.00 of an individual's total aggregate contribution may~~
11 ~~be used as a qualifying contribution in any calendar year.~~

12 ~~Qualifying contribution does not include a subscription, loan,~~
13 ~~advance, deposit of money, in-kind contribution or expenditure,~~
14 ~~or anything else of value except as prescribed in this act.~~

15 ~~Qualifying contribution does not include a contribution by an~~
16 ~~individual who resides outside of this state. For purposes of~~
17 ~~this subsection, an individual is considered to reside in this~~
18 ~~state if he or she is considered a resident of this state under~~
19 ~~the Michigan election law, Act No. 116 of the Public Acts of~~
20 ~~1954, being sections 168.1 to 168.992 of the Michigan Compiled~~

21 ~~Laws.~~ THAT MEETS ALL OF THE FOLLOWING CRITERIA:

22 (A) IS IN THE AMOUNT OF \$5.00 IN CASH OR IN THE FORM OF A
23 CHECK OR MONEY ORDER MADE PAYABLE TO THE FUND IN SUPPORT OF A
24 PARTICIPATING CANDIDATE.

25 (B) IS MADE BY A REGISTERED VOTER WITHIN THE DISTRICT FROM
26 WHICH THE PARTICIPATING CANDIDATE IS SEEKING OFFICE.

1 (C) IS MADE DURING THE DESIGNATED QUALIFYING PERIOD.

2 (D) IS OBTAINED WITH THE KNOWLEDGE AND APPROVAL OF THE
3 PARTICIPATING CANDIDATE.

4 (E) IS ACKNOWLEDGED BY A WRITTEN RECEIPT THAT IDENTIFIES THE
5 NAME AND ADDRESS OF THE DONOR ON FORMS PROVIDED BY THE SECRETARY
6 OF STATE.

7 (2) "QUALIFYING PERIOD" MEANS 1 OF THE FOLLOWING, AS
8 APPLICABLE:

9 (A) FOR A CANDIDATE FOR THE OFFICE OF GOVERNOR, THE QUALIFY-
10 ING PERIOD BEGINS JANUARY 1 OF THE ELECTION YEAR AND ENDS AT 5
11 P.M. ON JUNE 16 OF THE ELECTION YEAR UNLESS THE CANDIDATE IS
12 WITHOUT MAJOR POLITICAL PARTY AFFILIATION, IN WHICH CASE THE
13 PERIOD ENDS AT 5 P.M. ON JULY 31 OF THE ELECTION YEAR.

14 (B) FOR A CANDIDATE FOR THE OFFICE OF STATE SENATOR OR STATE
15 REPRESENTATIVE, THE QUALIFYING PERIOD BEGINS MARCH 1 OF THE ELEC-
16 TION YEAR AND ENDS AT 5 P.M. ON JUNE 16 OF THE ELECTION YEAR
17 UNLESS THE CANDIDATE IS WITHOUT MAJOR POLITICAL PARTY AFFILIA-
18 TION, IN WHICH CASE THE PERIOD ENDS AT 5 P.M. ON JULY 31 OF THE
19 ELECTION YEAR.

20 (3) "SEED MONEY CONTRIBUTION" MEANS A CONTRIBUTION MADE TO A
21 CANDIDATE, INCLUDING A CONTRIBUTION FROM THE CANDIDATE OR A
22 MEMBER OF THE CANDIDATE'S IMMEDIATE FAMILY, THAT MEETS 1 OF THE
23 FOLLOWING REQUIREMENTS, AS APPLICABLE:

24 (A) FOR A CANDIDATE FOR THE OFFICE OF GOVERNOR, IS A CONTRI-
25 BUTION OF NO MORE THAN \$500.00 PER INDIVIDUAL.

1 (B) FOR A CANDIDATE FOR THE OFFICE OF STATE SENATOR OR STATE
 2 REPRESENTATIVE, IS A CONTRIBUTION OF NO MORE THAN \$100.00 PER
 3 INDIVIDUAL.

4 (4) ~~(2)~~ "Senate political party caucus committee" means an
 5 independent committee established by a political party caucus of
 6 the state senate under section 24a.

7 (5) ~~(3)~~ "State elective office" means the office of gover-
 8 nor, lieutenant governor, secretary of state, attorney general,
 9 justice of the supreme court, member of the state board of educa-
 10 tion, regent of the university of Michigan, member of the board
 11 of trustees of Michigan state university, member of the board of
 12 governors of Wayne state university, and member of the state
 13 legislature.

14 SEC. 33B. A PERSON WHO MAKES OR OBLIGATES TO MAKE A DIS-
 15 BURSEMENT TO PURCHASE AN ISSUE ADVERTISEMENT SHALL FILE WITH THE
 16 SECRETARY OF STATE NOT LATER THAN 48 HOURS AFTER MAKING OR OBLI-
 17 GATING TO MAKE THE DISBURSEMENT A REPORT CONTAINING ALL OF THE
 18 FOLLOWING INFORMATION:

19 (A) THE AMOUNT OF THE DISBURSEMENT.

20 (B) THE NAME AND ADDRESS OF THE PERSON MAKING THE
 21 DISBURSEMENT.

22 (C) THE PURPOSE OF THE ISSUE ADVERTISEMENT.

23 Sec. 51. A person, other than a committee, who makes an
 24 independent expenditure, advocating the election of a candidate
 25 or the defeat of a candidate's opponents or the qualification,
 26 passage, or defeat of a ballot question, in an amount of ~~-\$100.00~~
 27 ~~or~~ more THAN \$100.00 in a calendar year shall file a report of

1 the independent expenditure, within ~~10 days~~ 48 HOURS, with the
2 clerk of the county of residence of that person AND WITH THE SEC-
3 RETARY OF STATE. The report shall be made on an independent
4 expenditure report form provided by the secretary of state and
5 shall include the date of the expenditure, a brief description of
6 the nature of the expenditure, the amount, the name and address
7 of the person to whom it was paid, the name and address of the
8 person filing the report, together with the name, address, occu-
9 pation, employer, and principal place of business of each person
10 who contributed ~~-\$100.01 or~~ more THAN \$100.00 to the
11 expenditure. The filing official receiving the report shall for-
12 ward copies, as required, to the appropriate filing officers as
13 described in section 36, UNLESS THE APPROPRIATE FILING OFFICER IS
14 THE SECRETARY OF STATE.

15 Sec. 52. (1) Except as provided in subsection (5) and
16 subject to ~~subsection~~ SUBSECTIONS (8) AND (9), a person other
17 than an independent committee or a political party committee
18 shall not make contributions to a candidate committee of a candi-
19 date for elective office that, with respect to an election cycle,
20 are more than the following:

21 (a) ~~-\$3,400.00~~ \$1,700.00 for a candidate for state elective
22 office other than the office of state legislator, or for a candi-
23 date for local elective office if the district from which he or
24 she is seeking office has a population of more than 250,000.

25 (b) ~~-\$1,000.00~~ \$500.00 for a candidate for state senator,
26 or for a candidate for local elective office if the district from

1 which he or she is seeking office has a population of more than
2 85,000 but 250,000 or less.

3 (c) ~~-\$500.00-~~ \$250.00 for a candidate for state representa-
4 tive, or for a candidate for local elective office if the dis-
5 trict from which he or she is seeking office has a population of
6 85,000 or less.

7 (2) Except as otherwise provided in this subsection, an
8 independent committee shall not make contributions to a candidate
9 committee of a candidate for elective office that, in the aggre-
10 gate for that election cycle, are more than 10 times the amount
11 permitted a person other than an independent committee or politi-
12 cal party committee in subsection (1). A house political party
13 caucus committee or a senate political party caucus committee is
14 not limited under this subsection in the amount of contributions
15 made to the candidate committee of a candidate for the office of
16 state legislator, except as follows:

17 (a) A house political party caucus committee or a senate
18 political party caucus committee shall not pay a debt incurred by
19 a candidate if that debt was incurred while the candidate was
20 seeking nomination at a primary election and the candidate was
21 opposed at that primary.

22 (b) A house political party caucus committee or a senate
23 political party caucus committee shall not make a contribution to
24 or make an expenditure on behalf of a candidate if that candidate
25 is seeking nomination at a primary election and the candidate is
26 opposed at that primary.

1 (3) A political party committee other than a state central
2 committee shall not make contributions to the candidate committee
3 of a candidate for elective office that are more than 10 times
4 the amount permitted a person other than an independent committee
5 or political party committee in subsection (1).

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

17 (5) A contribution from a member of a candidate's immediate
18 family to the candidate committee of that candidate is exempt
19 from the limitations of subsection (1).

20 (6) Consistent with the provisions of this section, a con-
21 tribution designated in writing for a particular election cycle
22 is considered made for that election cycle. A contribution made
23 after the close of a particular election cycle and designated in
24 writing for that election cycle shall be made only to the extent
25 that the contribution does not exceed the candidate committee's
26 net outstanding debts and obligations from the election cycle so
27 designated. If a contribution is not designated in writing for a

1 particular election cycle, the contribution is considered made
2 for the election cycle that corresponds to the date of the writ-
3 ten instrument.

4 (7) A candidate committee, a candidate, or a treasurer or
5 agent of a candidate committee shall not accept a contribution
6 with respect to an election cycle that exceeds the limitations in
7 subsection (1), (2), (3), or (4).

8 (8) The contribution limits in subsection (1) for a candi-
9 date for local elective office are effective on ~~the effective~~
10 ~~date of the amendatory act that provides for those contribution~~
11 ~~limits~~ MARCH 31, 1997, however, only contributions received by
12 that candidate on and after ~~that date~~ MARCH 31, 1997 shall be
13 used to determine if the contribution limit has been reached.

14 (9) AN INDIVIDUAL SHALL NOT MAKE CONTRIBUTIONS TO COMMITTEES
15 ORGANIZED UNDER THIS ACT THAT, IN THE AGGREGATE, EXCEED
16 \$50,000.00 IN A CALENDAR YEAR.

17 (10) SUBJECT TO SUBSECTION (9), AN INDIVIDUAL SHALL NOT MAKE
18 CONTRIBUTIONS TO A POLITICAL PARTY COMMITTEE, A POLITICAL COMMIT-
19 TEE, OR AN INDEPENDENT COMMITTEE THAT EXCEED \$20,000.00 IN A CAL-
20 ENDAR YEAR. A POLITICAL PARTY COMMITTEE, POLITICAL COMMITTEE, OR
21 INDEPENDENT COMMITTEE SHALL NOT ACCEPT A CONTRIBUTION WITH
22 RESPECT TO A CALENDAR YEAR THAT EXCEEDS THE LIMITATION IN THIS
23 SUBSECTION.

24 (11) ~~(9)~~ A person who knowingly violates this section is
25 guilty of a misdemeanor punishable, if the person is an individu-
26 al, by a fine of not more than \$1,000.00 or imprisonment for not

1 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 (12) ~~(10)~~ For purposes of the limitations provided in
 4 subsections (1) and (2), all contributions made by political com-
 5 mittees or independent committees established by any corporation,
 6 joint stock company, domestic dependent sovereign, or labor
 7 organization, including any parent, subsidiary, branch, division,
 8 department, or local unit thereof, shall be considered to have
 9 been made by a single independent committee. ~~By way of illus-~~
 10 ~~tration and not limitation, all of the following apply as a~~
 11 ~~result of the application of this requirement~~ EXAMPLES OF A
 12 SINGLE INDEPENDENT COMMITTEE FOR PURPOSES OF REPORTING A CONTRI-
 13 BUTION IN A CAMPAIGN STATEMENT INCLUDE, BUT ARE NOT LIMITED TO,
 14 THE FOLLOWING:

15 (a) All of the political committees and independent commit-
 16 tees established by a for profit corporation or joint stock com-
 17 pany, by a subsidiary of the for profit corporation or joint
 18 stock company, or by any combination ~~thereof, are treated as a~~
 19 ~~single independent committee~~ OF THESE.

20 (b) All of the political committees and independent commit-
 21 tees established by a single national or international labor
 22 organization, by a labor organization of that national or inter-
 23 national labor organization, by a local labor organization of
 24 that national or international labor organization, or by any
 25 other subordinate organization of that national or international
 26 labor organization, or by any combination ~~thereof, are treated~~
 27 ~~as a single independent committee~~ OF THESE.

1 (c) All of the political committees and independent
2 committees established by an organization of national or interna-
3 tional unions, by a state central body of that organization, by a
4 local central body of that organization, or by any combination
5 ~~thereof, are treated as a single independent committee~~ OF
6 THESE.

7 (d) All of the political committees and independent commit-
8 tees established by a nonprofit corporation, by a related state
9 entity of that nonprofit corporation, by a related local entity
10 of that nonprofit corporation, or by any combination ~~thereof,~~
11 ~~are treated as a single independent committee~~ OF THESE.

12 SEC. 91. (1) THIS SECTION AND SECTIONS 92 TO 109 SHALL BE
13 KNOWN AND MAY BE CITED AS THE "PUBLIC CAMPAIGN LAW".

14 (2) THE PUBLIC CAMPAIGN LAW ESTABLISHES AN ALTERNATIVE CAM-
15 PAIGN FINANCING OPTION AVAILABLE TO CANDIDATES RUNNING FOR THE
16 OFFICES OF GOVERNOR, STATE SENATOR, AND STATE REPRESENTATIVE.
17 THIS ALTERNATIVE CAMPAIGN FINANCING OPTION IS AVAILABLE TO CANDI-
18 DATES FOR EACH ELECTION HELD IN THIS STATE AFTER JANUARY 1,
19 2002.

20 (3) THE SECRETARY OF STATE SHALL ADMINISTER THE PUBLIC CAM-
21 PAIGN LAW.

22 SEC. 92. (1) THE PUBLIC CAMPAIGN FUND IS ESTABLISHED TO
23 FINANCE THE ELECTION CAMPAIGNS OF CERTIFIED PUBLIC CAMPAIGN LAW
24 CANDIDATES RUNNING FOR THE OFFICE OF GOVERNOR, STATE SENATOR, AND
25 STATE REPRESENTATIVE. THE PUBLIC CAMPAIGN FUND IS THE FUND FROM
26 WHICH ADMINISTRATIVE COSTS OF THE DEPARTMENTS OF TREASURY AND

1 STATE AND ENFORCEMENT COSTS OF THE DEPARTMENT OF STATE RELATED TO
2 THE PUBLIC CAMPAIGN LAW WILL BE PAID.

3 (2) THE STATE TREASURER SHALL ADMINISTER THE PUBLIC CAMPAIGN
4 FUND IN ACCORDANCE WITH THIS ACT. THE PUBLIC CAMPAIGN FUND IS A
5 SPECIAL, DEDICATED, NONLAPSING FUND AND INTEREST GENERATED BY THE
6 FUND IS CREDITED TO THE FUND.

7 (3) THE STATE TREASURER SHALL DEPOSIT ALL OF THE FOLLOWING
8 INTO THE PUBLIC CAMPAIGN FUND:

9 (A) THE QUALIFYING CONTRIBUTIONS REQUIRED UNDER SECTION 96,
10 WHEN THOSE CONTRIBUTIONS ARE SUBMITTED TO THE STATE TREASURER.

11 (B) REVENUE UNDER SECTION 93.

12 (C) SEED MONEY CONTRIBUTIONS REMAINING UNSPENT AFTER A CAN-
13 DIDATE HAS BEEN CERTIFIED AS A PUBLIC CAMPAIGN LAW CANDIDATE,
14 WHEN THAT MONEY IS SUBMITTED TO THE STATE TREASURER.

15 (D) FUND MONEY THAT IS DISTRIBUTED TO A PUBLIC CAMPAIGN LAW
16 CANDIDATE AND THAT REMAINS UNSPENT AFTER THE CANDIDATE HAS LOST A
17 PRIMARY ELECTION OR AFTER EACH GENERAL ELECTION.

18 (E) OTHER UNSPENT FUND MONEY DISTRIBUTED TO A PUBLIC CAM-
19 PAIGN LAW CANDIDATE WHO DOES NOT REMAIN A CANDIDATE THROUGHOUT A
20 PRIMARY OR GENERAL ELECTION CYCLE.

21 (F) VOLUNTARY DONATIONS MADE DIRECTLY TO THE FUND.

22 (G) FINES COLLECTED UNDER SECTION 108.

23 (4) ON OR BEFORE THE SEPTEMBER 1 IMMEDIATELY BEFORE AN ELEC-
24 TION YEAR, THE SECRETARY OF STATE SHALL PUBLISH AN ESTIMATE OF
25 MONEY IN THE FUND AVAILABLE FOR DISTRIBUTION TO CERTIFIED CANDI-
26 DATES DURING THE UPCOMING YEAR'S ELECTIONS.

1 SEC. 93. (1) AN INDIVIDUAL WHOSE TAX LIABILITY UNDER THE
2 INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.1 TO 206.532, FOR A
3 TAXABLE YEAR IS \$3.00 OR MORE MAY DESIGNATE THAT \$3.00 NOT BE
4 CREDITED TO THE PUBLIC CAMPAIGN FUND. IN THE CASE OF A JOINT
5 RETURN OF HUSBAND AND WIFE HAVING AN INCOME TAX LIABILITY OF
6 \$6.00 OR MORE, EACH SPOUSE MAY DESIGNATE THAT \$3.00 NOT BE CRED-
7 ITED TO THE FUND.

8 (2) THE TAX DESIGNATION AUTHORIZED IN THIS SECTION SHALL BE
9 CLEARLY AND UNAMBIGUOUSLY PRINTED ON THE FIRST PAGE OF THE STATE
10 INDIVIDUAL INCOME TAX RETURN.

11 (3) AN AMOUNT EQUAL TO THE CUMULATIVE AMOUNTS DESIGNATED
12 UNDER SUBSECTION (1) EACH YEAR SHALL BE APPROPRIATED ANNUALLY
13 FROM THE GENERAL FUND OF THIS STATE TO THE FUND TO BE AVAILABLE
14 BEGINNING JANUARY 1 AND CONTINUING THROUGH DECEMBER 31 OF EACH
15 ELECTION YEAR.

16 SEC. 94. (1) TO BE ELIGIBLE FOR CERTIFICATION, A PARTICI-
17 PATING CANDIDATE SHALL MEET BOTH OF THE FOLLOWING REQUIREMENTS:

18 (A) HE OR SHE SHALL ONLY COLLECT AND SPEND SEED MONEY CON-
19 TRIBUTIONS DURING THE QUALIFYING PERIOD.

20 (B) HE OR SHE SHALL NOT MAKE OR CAUSE AN EXPENDITURE TO BE
21 MADE FROM PRIVATE MONEY DEPOSITED TO HIS OR HER CANDIDATE COMMIT-
22 TEE DURING THE CURRENT ELECTION CYCLE AND BEFORE FILING A DECLA-
23 RATION OF INTENT UNDER SUBSECTION (3).

24 (2) A CANDIDATE SHALL NOT COLLECT OR SPEND SEED MONEY CON-
25 TRIBUTIONS AFTER CERTIFICATION AS A PUBLIC CAMPAIGN LAW
26 CANDIDATE. THE PRIMARY PURPOSE OF A SEED MONEY CONTRIBUTION IS
27 TO ENABLE A PARTICIPATING CANDIDATE TO COLLECT QUALIFYING

1 CONTRIBUTIONS. A PARTICIPATING CANDIDATE SHALL REPORT SEED MONEY
2 CONTRIBUTIONS AND EXPENDITURES ACCORDING TO PROCEDURES DEVELOPED
3 BY THE SECRETARY OF STATE.

4 (3) A PARTICIPATING CANDIDATE SHALL FILE A DECLARATION OF
5 INTENT TO SEEK CERTIFICATION AS A PUBLIC CAMPAIGN LAW CANDIDATE
6 AND TO COMPLY WITH THE REQUIREMENTS OF THE PUBLIC CAMPAIGN LAW.
7 THE CANDIDATE SHALL FILE THE DECLARATION OF INTENT WITH THE SEC-
8 RETARY OF STATE BEFORE OR DURING THE QUALIFYING PERIOD, EXCEPT AS
9 OTHERWISE PROVIDED IN SECTION 103, ACCORDING TO FORMS AND PROCE-
10 DURES DEVELOPED BY THE SECRETARY OF STATE. A PARTICIPATING CAN-
11 DIDATE SHALL FILE A DECLARATION OF INTENT BEFORE HE OR SHE COL-
12 LECTS SEED MONEY OR QUALIFYING CONTRIBUTIONS UNDER THE PUBLIC
13 CAMPAIGN LAW.

14 SEC. 95. (1) AFTER BECOMING A CANDIDATE AND BEFORE BECOMING
15 A CERTIFIED CANDIDATE, A PARTICIPATING CANDIDATE SHALL NOT ACCEPT
16 CONTRIBUTIONS EXCEPT FOR SEED MONEY CONTRIBUTIONS. A PARTICIPAT-
17 ING CANDIDATE SHALL LIMIT THE CANDIDATE'S SEED MONEY CONTRIBU-
18 TIONS TO THE FOLLOWING AMOUNTS, AS APPLICABLE:

19 (A) FOR A CANDIDATE FOR THE OFFICE OF GOVERNOR,
20 \$100,000.00.

21 (B) FOR A CANDIDATE FOR THE OFFICE OF STATE SENATOR,
22 \$10,000.00.

23 (C) FOR A CANDIDATE FOR THE OFFICE OF STATE REPRESENTATIVE,
24 \$5,000.00.

25 (2) A PARTICIPATING CANDIDATE SHALL OBTAIN QUALIFYING CON-
26 TRIBUTIONS DURING THE QUALIFYING PERIOD THAT MEET THE FOLLOWING
27 CRITERIA, AS APPROPRIATE:

1 (A) FOR A CANDIDATE FOR THE OFFICE OF GOVERNOR, AT LEAST
2 5,000 VERIFIED REGISTERED VOTERS OF THIS STATE MUST SUPPORT THE
3 CANDIDACY BY PROVIDING A QUALIFYING CONTRIBUTION TO THAT
4 CANDIDATE.

5 (B) FOR A CANDIDATE FOR THE OFFICE OF STATE SENATOR, AT
6 LEAST 500 VERIFIED REGISTERED VOTERS FROM THAT SENATORIAL DIS-
7 TRICT MUST SUPPORT THE CANDIDATE BY PROVIDING A QUALIFYING CON-
8 TRIBUTION TO THAT CANDIDATE.

9 (C) FOR A CANDIDATE FOR THE OFFICE OF STATE REPRESENTATIVE,
10 AT LEAST 250 VERIFIED REGISTERED VOTERS FROM THAT REPRESENTATIVE
11 DISTRICT MUST SUPPORT THE CANDIDATE BY PROVIDING A QUALIFYING
12 CONTRIBUTION TO THAT CANDIDATE.

13 (4) A PAYMENT, GIFT, OR ANYTHING OF VALUE SHALL NOT BE GIVEN
14 IN EXCHANGE FOR A QUALIFYING CONTRIBUTION.

15 SEC. 96. A PARTICIPATING CANDIDATE SHALL SUBMIT QUALIFYING
16 CONTRIBUTIONS TO THE SECRETARY OF STATE DURING THE QUALIFYING
17 PERIOD ACCORDING TO PROCEDURES DEVELOPED BY THE SECRETARY OF
18 STATE.

19 SEC. 97. (1) UPON RECEIPT OF A FINAL SUBMITTAL OF QUALIFY-
20 ING CONTRIBUTIONS BY A PARTICIPATING CANDIDATE, THE SECRETARY OF
21 STATE SHALL DETERMINE IF THE CANDIDATE HAS MET ALL OF THE FOLLOW-
22 ING REQUIREMENTS FOR CERTIFICATION:

23 (A) SIGNED AND FILED A DECLARATION OF INTENT TO PARTICIPATE
24 UNDER THE PUBLIC CAMPAIGN LAW.

25 (B) SUBMITTED THE APPROPRIATE NUMBER OF VALID QUALIFYING
26 CONTRIBUTIONS.

1 (C) SUBMITTED THE APPROPRIATE SEED MONEY CONTRIBUTION AND
2 EXPENDITURE REPORT REQUIRED UNDER SECTION 94.

3 (D) DID NOT ACCEPT CONTRIBUTIONS, EXCEPT FOR SEED MONEY CON-
4 TRIBUTIONS, AND OTHERWISE COMPLIED WITH SEED MONEY CONTRIBUTION
5 RESTRICTIONS.

6 (E) OTHERWISE MET THE REQUIREMENTS FOR PARTICIPATION UNDER
7 THE PUBLIC CAMPAIGN LAW.

8 (F) DID NOT MAKE OR CAUSE AN EXPENDITURE TO BE MADE FROM
9 PRIVATE MONEY DEPOSITED IN HIS OR HER CANDIDATE COMMITTEE DURING
10 THE CURRENT ELECTION CYCLE AND BEFORE FILING A DECLARATION OF
11 INTENT TO PARTICIPATE UNDER THE PUBLIC CAMPAIGN LAW.

12 (2) THE SECRETARY OF STATE SHALL CERTIFY A CANDIDATE WHO
13 COMPLIES WITH THE REQUIREMENTS OF THIS SECTION AS A CERTIFIED
14 CANDIDATE AS SOON AS POSSIBLE AND NO LATER THAN 3 DAYS AFTER
15 FINAL SUBMISSION OF QUALIFYING CONTRIBUTIONS. THE SECRETARY OF
16 STATE SHALL NOTIFY A CANDIDATE WHO HAS NOT COMPLIED WITH THE
17 REQUIREMENTS OF THIS SECTION THAT HE OR SHE IS BEING DENIED CER-
18 TIFICATION AS A PUBLIC CAMPAIGN LAW CANDIDATE AND THE REASONS FOR
19 THAT DENIAL AS SOON AS POSSIBLE AND NO LATER THAN 3 DAYS AFTER
20 FINAL SUBMISSION OF QUALIFYING CONTRIBUTIONS.

21 (3) UPON CERTIFICATION OR DENIAL OF CERTIFICATION, A CANDI-
22 DATE SHALL PROMPTLY GIVE TO THE SECRETARY OF STATE ANY UNSPENT
23 SEED MONEY CONTRIBUTIONS. AS SOON AS PRACTICAL AFTER RECEIPT,
24 THE SECRETARY OF STATE SHALL TRANSMIT ALL UNSPENT SEED MONEY CON-
25 TRIBUTIONS TO THE STATE TREASURER FOR DEPOSIT INTO THE FUND.

1 (4) A CERTIFIED CANDIDATE SHALL COMPLY WITH ALL REQUIREMENTS
2 OF THE PUBLIC CAMPAIGN LAW AFTER CERTIFICATION AND THROUGHOUT THE
3 PRIMARY AND GENERAL ELECTION PERIODS.

4 SEC. 98. (1) A CERTIFIED CANDIDATE SHALL LIMIT THE
5 CANDIDATE'S CAMPAIGN EXPENDITURES AND OBLIGATIONS, INCLUDING OUT-
6 STANDING OBLIGATIONS, TO THE MONEY DISTRIBUTED TO THE CANDIDATE
7 FROM THE FUND. A CERTIFIED CANDIDATE SHALL NOT ACCEPT ANY CON-
8 TRIBUTIONS UNLESS SPECIFICALLY AUTHORIZED BY THE SECRETARY OF
9 STATE.

10 (2) A CERTIFIED CANDIDATE SHALL ONLY USE MONEY DISTRIBUTED
11 FROM THE FUND FOR CAMPAIGN-RELATED PURPOSES. THE SECRETARY OF
12 STATE SHALL PUBLISH GUIDELINES OUTLINING PERMISSIBLE
13 CAMPAIGN-RELATED EXPENDITURES.

14 SEC. 99. (1) THE SECRETARY OF STATE SHALL DIRECT THE STATE
15 TREASURER TO DISTRIBUTE TO CERTIFIED CANDIDATES MONEY FROM THE
16 FUND IN AMOUNTS DETERMINED UNDER SECTION 100 IN THE FOLLOWING
17 MANNER:

18 (A) WITHIN 3 DAYS AFTER CERTIFICATION, FOR CANDIDATES CERTI-
19 FIED BEFORE JUNE 16 OF THE ELECTION YEAR, MONEY FROM THE FUND
20 SHALL BE DISTRIBUTED AS IF THE CANDIDATES ARE IN AN UNCONTESTED
21 PRIMARY ELECTION.

22 (B) WITHIN 3 DAYS AFTER JUNE 16 OF THE ELECTION YEAR, FOR
23 PRIMARY ELECTION CERTIFIED CANDIDATES, MONEY FROM THE FUND SHALL
24 BE DISTRIBUTED ACCORDING TO WHETHER THE CANDIDATE IS IN A CON-
25 TESTED OR UNCONTESTED PRIMARY ELECTION, REDUCED BY ANY AMOUNTS
26 PREVIOUSLY DISTRIBUTED UNDER SUBDIVISION (A).

1 (C) WITHIN 3 DAYS AFTER THE PRIMARY ELECTION, FOR GENERAL
2 ELECTION CERTIFIED CANDIDATES, MONEY FROM THE FUND SHALL BE
3 DISTRIBUTED ACCORDING TO WHETHER THE CANDIDATE IS IN A CONTESTED
4 GENERAL ELECTION. MONEY SHALL NOT BE DISTRIBUTED TO A CANDIDATE
5 IN AN UNCONTESTED GENERAL ELECTION.

6 (2) THE STATE TREASURER MAY DISTRIBUTE MONEY FROM THE FUND
7 TO CERTIFIED CANDIDATES UNDER THIS SECTION BY ANY MECHANISM THAT
8 IS EXPEDITIOUS, ENSURES ACCOUNTABILITY, AND SAFEGUARDS THE INTEG-
9 RITY OF THE FUND.

10 SEC. 100. (1) ON OR BEFORE JULY 1, 2002, AND ON OR BEFORE
11 JULY 1 OF EACH SECOND YEAR AFTER 2002, THE SECRETARY OF STATE
12 SHALL DETERMINE THE AMOUNT OF MONEY TO BE DISTRIBUTED TO CERTI-
13 FIED CANDIDATES BASED UPON THE TYPE OF ELECTION AND OFFICE AS
14 FOLLOWS:

15 (A) FOR CONTESTED PRIMARY ELECTIONS, THE AMOUNT OF MONEY TO
16 BE DISTRIBUTED IS THE AVERAGE AMOUNT OF CAMPAIGN EXPENDITURES
17 MADE BY EACH CANDIDATE DURING ALL CONTESTED PRIMARY ELECTION
18 RACES FOR THE 2 PRIMARY ELECTIONS IMMEDIATELY BEFORE THE CURRENT
19 PRIMARY ELECTION, AS REPORTED IN THE INITIAL FILING PERIOD AFTER
20 THE PRIMARY ELECTION FOR THE RESPECTIVE OFFICES OF GOVERNOR,
21 STATE SENATOR, AND STATE REPRESENTATIVE.

22 (B) FOR UNCONTESTED PRIMARY ELECTIONS, THE AMOUNT OF MONEY
23 DISTRIBUTED IS THE AVERAGE AMOUNT OF CAMPAIGN EXPENDITURES MADE
24 BY EACH CANDIDATE DURING ALL UNCONTESTED PRIMARY ELECTION RACES,
25 OR FOR CONTESTED RACES IF THAT AMOUNT IS LOWER, FOR THE 2 PRIMARY
26 ELECTIONS IMMEDIATELY BEFORE THE CURRENT PRIMARY ELECTION, AS
27 REPORTED IN THE INITIAL FILING PERIOD AFTER THE PRIMARY ELECTION

1 FOR THE RESPECTIVE OFFICES OF GOVERNOR, STATE SENATOR, AND STATE
2 REPRESENTATIVE.

3 (C) FOR CONTESTED GENERAL ELECTIONS, THE AMOUNT OF MONEY
4 DISTRIBUTED IS THE AVERAGE AMOUNT OF CAMPAIGN EXPENDITURES MADE
5 BY EACH CANDIDATE DURING ALL CONTESTED GENERAL ELECTION RACES FOR
6 THE 2 GENERAL ELECTIONS IMMEDIATELY BEFORE THE CURRENT GENERAL
7 ELECTION AS REPORTED IN THE INITIAL FILING PERIOD AFTER THE GEN-
8 ERAL ELECTION FOR THE RESPECTIVE OFFICES OF GOVERNOR, STATE SENA-
9 TOR, AND STATE REPRESENTATIVE.

10 (2) IF THE 2 ELECTION CYCLES IMMEDIATELY BEFORE THE CURRENT
11 ELECTION CYCLE DO NOT CONTAIN SUFFICIENT ELECTORAL DATA, THE SEC-
12 RETARY OF STATE SHALL USE INFORMATION FROM THE MOST RECENT APPLI-
13 CABLE ELECTIONS. FOR ONLY THE INITIAL COMPUTATIONS UNDER SUBSEC-
14 TION (1) THAT ARE CONDUCTED BY JULY 1, 2002, THE SECRETARY OF
15 STATE SHALL REDUCE THE AMOUNT OF MONEY TO BE DISTRIBUTED BY 25%.

16 SEC. 101. (1) IF A CAMPAIGN STATEMENT OR REPORT FILED BY A
17 PARTICIPATING CANDIDATE'S COMMITTEE SHOWS AN AMOUNT EXCEEDING THE
18 DISTRIBUTION AMOUNT UNDER SECTION 100 COMBINED WITH PARTICIPATING
19 CONTRIBUTIONS COLLECTED DURING THE PARTICIPATING CONTRIBUTION
20 PERIOD, THE SECRETARY OF STATE SHALL IMMEDIATELY ISSUE TO EACH
21 OPPOSING CERTIFIED CANDIDATE AN ADDITIONAL AMOUNT OF MONEY EQUIV-
22 ALENT TO THE REPORTED EXCESS. TO DETERMINE THE EXCESS AMOUNT OF
23 MONEY, THE SECRETARY OF STATE SHALL ADD THE GREATER OF THE SUM OF
24 A CANDIDATE'S EXPENDITURES AND OBLIGATIONS OR MONEY RAISED AND
25 BORROWED TO INDEPENDENT EXPENDITURES REPORTED UNDER SECTION 51.

26 (2) AN ADDITIONAL AMOUNT OF MONEY PROVIDED TO AN OPPOSING
27 CERTIFIED CANDIDATE UNDER THIS SECTION IS LIMITED TO 3 TIMES THE

1 AMOUNT ORIGINALLY DISTRIBUTED UNDER SECTION 100(1)(A) OR (C), AS
2 APPLICABLE.

3 SEC. 102. A CANDIDATE WITHOUT POLITICAL PARTY AFFILIATION
4 WHO IS CERTIFIED BY THE JUNE 16 IMMEDIATELY BEFORE THE PRIMARY
5 ELECTION IS ELIGIBLE FOR MONEY FROM THE FUND IN THE SAME AMOUNTS
6 AND AT THE SAME TIME AS AN UNCONTESTED PRIMARY ELECTION CANDIDATE
7 AND A GENERAL ELECTION CANDIDATE AS SPECIFIED IN SECTIONS 99 AND
8 100. FOR A CANDIDATE WITHOUT POLITICAL PARTY AFFILIATION WHO IS
9 NOT CERTIFIED BY JUNE 16 AT 5 P.M., THE DEADLINE FOR FILING QUAL-
10 IFYING CONTRIBUTIONS IS 5 P.M. ON THE JULY 16 IMMEDIATELY BEFORE
11 THE GENERAL ELECTION. A CANDIDATE WITHOUT POLITICAL PARTY AFFIL-
12 IATION CERTIFIED AFTER JUNE 16 AT 5 P.M. IS ELIGIBLE FOR MONEY
13 FROM THE FUND IN THE SAME AMOUNTS AS A GENERAL ELECTION CANDI-
14 DATE, AS SPECIFIED IN SECTIONS 99 AND 100.

15 SEC. 103. THE SECRETARY OF STATE SHALL ESTABLISH BY RULE
16 PROCEDURES FOR QUALIFICATION, REPORTING, CERTIFICATION, DISBURSE-
17 MENT OF FUND MONEY, AND RETURN OF UNSPENT MONEY FOR RACES INVOLV-
18 ING SPECIAL ELECTIONS, RECOUNTS, VACANCIES, WITHDRAWALS, OR
19 REPLACEMENT CANDIDATES.

20 SEC. 104. (1) PARTICIPATING AND CERTIFIED CANDIDATES SHALL
21 REPORT ANY MONEY COLLECTED, ALL CAMPAIGN EXPENDITURES, OBLIGA-
22 TIONS, AND RELATED ACTIVITIES TO THE SECRETARY OF STATE ACCORDING
23 TO PROCEDURES DEVELOPED BY THE SECRETARY OF STATE. UPON THE
24 FILING OF A FINAL REPORT FOR A PRIMARY ELECTION IN WHICH THE CAN-
25 DIDATE WAS DEFEATED AND FOR ALL GENERAL ELECTIONS, THAT CANDIDATE
26 SHALL RETURN ALL UNSPENT MONEY TO THE SECRETARY OF STATE, FOR
27 DEPOSIT IN THE FUND.

1 (2) IN DEVELOPING THE PROCEDURES UNDER SUBSECTION (1), THE
2 SECRETARY OF STATE SHALL UTILIZE, WHENEVER PRACTICABLE, CAMPAIGN
3 REPORTING PROCEDURES EXISTING ON THE EFFECTIVE DATE OF THIS
4 SECTION. THE SECRETARY OF STATE SHALL ENSURE TIMELY PUBLIC
5 ACCESS TO CAMPAIGN FINANCE DATA AND MAY UTILIZE ELECTRONIC MEANS
6 OF REPORTING AND STORING INFORMATION. THE SECRETARY OF STATE
7 SHALL DEVELOP AND MAKE AVAILABLE TO PARTICIPATING AND CERTIFIED
8 CANDIDATES THE NECESSARY SOFTWARE FOR FILING THE REPORTS REQUIRED
9 UNDER THE PUBLIC CAMPAIGN LAW BY ELECTRONIC MEANS.

10 SEC. 106. (1) A CANDIDATE WHO IS DENIED CERTIFICATION AS A
11 CERTIFIED CANDIDATE OR THE OPPONENT OF A CANDIDATE WHO IS GRANTED
12 CERTIFICATION AS A CERTIFIED CANDIDATE MAY CHALLENGE A CERTIFICA-
13 TION DECISION BY THE SECRETARY OF STATE. A CHALLENGE SHALL BE
14 CONDUCTED UNDER THE FOLLOWING PROCEDURE:

15 (A) A CHALLENGER MAY APPEAL TO THE SECRETARY OF STATE WITHIN
16 3 DAYS OF THE CERTIFICATION DECISION. THE CHALLENGER SHALL
17 APPEAL IN WRITING AND SHALL SET FORTH THE REASONS FOR THE
18 APPEAL.

19 (B) WITHIN 5 DAYS AFTER AN APPEAL IS PROPERLY MADE AND AFTER
20 NOTICE IS GIVEN TO THE CHALLENGER AND EACH OPPONENT, THE SECRE-
21 TARY OF STATE SHALL HOLD A HEARING. THE CHALLENGER HAS THE
22 BURDEN OF PROVIDING EVIDENCE TO DEMONSTRATE THAT THE COMMISSION
23 DECISION WAS IMPROPER. THE SECRETARY OF STATE SHALL RULE ON THE
24 APPEAL WITHIN 3 DAYS AFTER THE COMPLETION OF THE HEARING.

25 (C) A CHALLENGER MAY APPEAL THE DECISION OF THE SECRETARY OF
26 STATE UNDER SUBDIVISION (B) BY COMMENCING AN ACTION IN THE COURT
27 OF CLAIMS.

1 (D) A CANDIDATE WHOSE DETERMINATION BY THE SECRETARY OF
2 STATE AS A CERTIFIED CANDIDATE IS REVOKED ON APPEAL SHALL RETURN
3 TO THE SECRETARY OF STATE ALL UNSPENT MONEY DISTRIBUTED FROM THE
4 FUND.

5 (E) IF THE SECRETARY OF STATE OR COURT OF CLAIMS FINDS THAT
6 AN APPEAL WAS MADE FRIVOLOUSLY OR TO CAUSE DELAY OR HARDSHIP, THE
7 SECRETARY OF STATE OR COURT MAY REQUIRE THE MOVING PARTY TO PAY
8 COSTS OF THE SECRETARY OF STATE, COURT, AND EACH OPPOSING PARTY,
9 IF ANY.

10 (2) THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306,
11 MCL 24.201 TO 24.328, APPLIES TO THIS SECTION.

12 SEC. 107. THE SECRETARY OF STATE SHALL ADOPT RULES UNDER
13 THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL
14 24.201 TO 24.328, TO ENSURE EFFECTIVE ADMINISTRATION OF THE
15 PUBLIC CAMPAIGN LAW. THE SECRETARY OF STATE SHALL ADOPT RULES
16 INCLUDING, BUT NOT LIMITED TO, PROCEDURES FOR ALL OF THE
17 FOLLOWING:

18 (A) OBTAINING QUALIFYING CONTRIBUTIONS.

19 (B) CERTIFICATION AS A PUBLIC CAMPAIGN LAW CANDIDATE.

20 (C) CIRCUMSTANCES INVOLVING SPECIAL ELECTIONS, VACANCIES,
21 RECOUNTS, WITHDRAWALS, OR REPLACEMENTS.

22 (D) COLLECTION OF REVENUES FOR THE FUND.

23 (E) DISTRIBUTIONS OF MONEY TO CERTIFIED CANDIDATES.

24 (F) RETURN OF UNSPENT MONEY DISTRIBUTIONS.

25 (G) COMPLIANCE WITH THE MICHIGAN PUBLIC CAMPAIGN ACT.

26 SEC. 108. (1) A PERSON WHO VIOLATES A PROVISION OF THE
27 PUBLIC CAMPAIGN LAW IS SUBJECT TO A CIVIL FINE NOT TO EXCEED

1 \$10,000.00 PER VIOLATION. THIS SANCTION IS RECOVERABLE IN A
2 CIVIL ACTION. A FINE PAID UNDER THIS SECTION SHALL BE DEPOSITED
3 IN THE FUND.

4 (2) IN ADDITION TO A FINE, FOR GOOD CAUSE SHOWN, A CANDIDATE
5 FOUND IN VIOLATION OF THE PUBLIC CAMPAIGN LAW MAY BE REQUIRED TO
6 REIMBURSE THE FUND FOR ALL MONEY DISTRIBUTED TO THE CANDIDATE
7 FROM THE FUND.

8 (3) IF THE SECRETARY OF STATE MAKES A DETERMINATION THAT A
9 VIOLATION OF THE PUBLIC CAMPAIGN LAW HAS OCCURRED, THE SECRETARY
10 OF STATE SHALL ASSESS A FINE OR TRANSMIT THE FINDING TO THE
11 ATTORNEY GENERAL FOR PROSECUTION.

12 (4) A PERSON WHO KNOWINGLY VIOLATES THE PUBLIC CAMPAIGN LAW
13 OR RULES PROMULGATED BY THE SECRETARY OF STATE OR WHO KNOWINGLY
14 MAKES A FALSE STATEMENT IN A REPORT REQUIRED BY THE PUBLIC CAM-
15 PAIGN LAW IS GUILTY OF A MISDEMEANOR PUNISHABLE, IF THE PERSON IS
16 AN INDIVIDUAL, BY A FINE OF NOT MORE THAN \$1,000.00 OR IMPRISON-
17 MENT FOR NOT MORE THAN 90 DAYS, OR BOTH, OR, IF THE PERSON IS NOT
18 AN INDIVIDUAL, BY A FINE OF NOT MORE THAN \$10,000.00. IF THE
19 PERSON DESCRIBED IN THIS SUBSECTION IS A CERTIFIED CANDIDATE,
20 THAT PERSON SHALL REIMBURSE THE FUND FOR ALL MONEY DISTRIBUTED TO
21 THE CANDIDATE.

22 (5) THE PENALTIES AND REMEDIES UNDER THE PUBLIC CAMPAIGN LAW
23 ARE CUMULATIVE AND INDEPENDENT AND THE USE OF PENALTIES OR REME-
24 DIES, OR BOTH, UNDER THE PUBLIC CAMPAIGN LAW DOES NOT PROHIBIT
25 THE PROSECUTION OR AN ACTION TO RECOVER DAMAGES FOR CONDUCT OTH-
26 ERWISE PROSCRIBED UNDER THIS ACT OR ANOTHER APPLICABLE LAW.

1 SEC. 109. ON OR BEFORE JANUARY 30, 2004, AND ON OR BEFORE
2 JANUARY 30 IN EVERY SECOND YEAR AFTER 2004, THE SECRETARY OF
3 STATE SHALL PREPARE FOR THE HOUSE OVERSIGHT COMMITTEE AND THE
4 SENATE GOVERNMENT OPERATIONS COMMITTEE A REPORT DOCUMENTING,
5 EVALUATING, AND MAKING RECOMMENDATIONS RELATING TO THE ADMINIS-
6 TRATION, IMPLEMENTATION, AND ENFORCEMENT OF THE PUBLIC CAMPAIGN
7 LAW AND THE FUND.

8 Enacting section 1. Sections 61 to 69 of the Michigan cam-
9 paign finance act, 1976 PA 388, MCL 169.261 to 169.269, are
10 repealed.