

HOUSE BILL NO. 5490

October 28, 2021, Introduced by Rep. Steven Johnson and referred to the Committee on Elections and Ethics.

A bill to amend 1976 PA 388, entitled
"Michigan campaign finance act,"
by amending sections 26, 28, 29, 32, 42, 46, and 51 (MCL 169.226,
169.228, 169.229, 169.232, 169.242, 169.246, and 169.251), sections
26 and 51 as amended by 2019 PA 93, section 28 as amended by 1999
PA 237, sections 29 and 42 as amended by 2001 PA 250, section 32 as
amended by 2012 PA 277, and section 46 as amended by 2013 PA 252.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 26. (1) A campaign statement of a committee, other than a

1 political party committee, required by this act must contain all of
2 the following information:

3 (a) The filing committee's name, address, and telephone
4 number, and the full name, residential and business addresses,
5 electronic mail address, and telephone numbers of the committee
6 treasurer or other individual designated as responsible for the
7 committee's record keeping, report preparation, or report filing.

8 (b) Under the heading "receipts", the total amount of
9 contributions received during the period covered by the campaign
10 statement; under the heading "expenditures", the total amount of
11 expenditures made during the period covered by the campaign
12 statement; and the cumulative amount of those totals. Forgiveness
13 of a loan must not be included in the totals. Payment of a loan by
14 a third party must be recorded and reported as an in-kind
15 contribution by the third party. In-kind contributions or
16 expenditures must be listed at fair market value and reported as
17 both contributions and expenditures. A contribution or expenditure
18 that is by other than completed and accepted payment, gift, or
19 other transfer, that is clearly not legally enforceable, and that
20 is expressly withdrawn or rejected and returned before a campaign
21 statement closing date need not be included in the campaign
22 statement and if included may, in a later or amended statement, be
23 shown as a deduction, but the committee shall keep adequate records
24 of each instance.

25 (c) The balance of cash on hand at the beginning and the end
26 of the period covered by the campaign statement.

27 (d) The following information regarding each fund-raising
28 event must be included in the report:

29 (i) The type of event, date held, address and name, if any, of

1 the place where the activity was held, and approximate number of
2 individuals participating or in attendance.

3 (ii) The total amount of all contributions.

4 (iii) The gross receipts of the fund-raising event.

5 (iv) The expenditures incident to the event.

6 (e) The full name of each individual from whom contributions
7 are received during the period covered by the campaign statement,
8 together with the individual's street address, the amount
9 contributed, the date on which each contribution was received, and
10 the cumulative amount contributed by that individual. ~~The~~
11 ~~occupation, employer, and principal place of business must be~~
12 ~~stated if the individual's cumulative contributions are more than~~
13 ~~\$100.00.~~ For contributions of \$5.00 or less by an individual to a
14 political committee or independent committee, the secretary of
15 state shall accept for filing any written communication from the
16 political committee or independent committee that contains the
17 information otherwise required under this subsection. Any written
18 communication under this subdivision does not need to contain an
19 original signature.

20 (f) The cumulative amount contributed and the name and address
21 of each individual, except those individuals reported under
22 subdivision (e), who contributed to the committee. ~~The occupation,~~
23 ~~employer, and principal place of business must be stated for each~~
24 ~~individual who contributed more than \$100.00.~~

25 (g) The name and street address of each person, other than an
26 individual, from whom contributions are received during the period
27 covered by the campaign statement, together with an itemization of
28 the amounts contributed, the date on which each contribution was
29 received, and the cumulative amount contributed by that person.

1 (h) The name, address, and amount given by an individual who
2 contributed to the total amount contributed by a person who is
3 other than a committee or an individual. ~~The occupation, employer,~~
4 ~~and principal place of business must be stated if the individual~~
5 ~~contributed more than \$100.00 of the total amount contributed by a~~
6 ~~person who is other than a committee or an individual.~~

7 (i) The cumulative total of expenditures and other
8 disbursements totaling \$50.00 or less to any person made during the
9 period covered by the campaign statement except for expenditures
10 made to or on behalf of another committee, candidate, or ballot
11 question.

12 (j) The full name and street address of each person to whom
13 expenditures or other disbursements totaling more than \$50.00 were
14 made, together with the amount of each separate expenditure or
15 disbursement to each person during the period covered by the
16 campaign statement; the purpose of the expenditure or disbursement;
17 the full name and street address of the person providing the
18 consideration for which any expenditure or disbursement was made if
19 different from the payee; the itemization regardless of amount of
20 each expenditure made to or on behalf of another committee,
21 candidate, or ballot question; and the cumulative amount of
22 expenditures for or against that candidate or ballot question for
23 an election cycle. An expenditure made in support of more than 1
24 candidate or ballot question, or both, must be apportioned
25 reasonably among the candidates or ballot questions, or both.

26 (2) A candidate committee or ballot question committee shall
27 report all cumulative amounts required by this section on a per
28 election cycle basis. Except as provided in subsection (1)(j), an
29 independent committee, independent expenditure committee, or

1 political committee shall report all cumulative amounts required by
2 this section on a calendar year basis.

3 (3) A campaign statement of a committee, in addition to the
4 other information required by this section, must include an
5 itemized list of all expenditures during the reporting period for
6 election day busing of electors to the polls, get-out-the-vote
7 activities, slate cards, challengers, poll watchers, and poll
8 workers.

9 (4) For a reporting period in which a contribution is received
10 that is to be part of a bundled contribution or a reporting period
11 in which a bundled contribution is delivered to the candidate
12 committee of a candidate for statewide elective office, a bundling
13 committee shall report to the secretary of state, on a form
14 provided by the secretary of state, all of the following
15 information, as applicable, about each contribution received or
16 delivered as part of a bundled contribution, and about each bundled
17 contribution delivered, in the reporting period:

18 (a) The amount of each contribution, the date it was received
19 by the bundling committee, and the candidate for statewide elective
20 office whom the contributor designated as the intended recipient.

21 (b) Each contributor's name and address. ~~and, for each~~
22 ~~contribution exceeding \$100.00, the contributor's occupation,~~
23 ~~employer, and principal place of business.~~

24 (c) The date each contribution is delivered to the candidate's
25 statewide elective office candidate committee.

26 (d) The total amount of bundled contributions delivered to
27 that candidate committee during the reporting period and during the
28 election cycle.

29 (5) With its delivery of a bundled contribution to the

1 candidate committee of a candidate for statewide elective office, a
2 bundling committee shall deliver a report to that candidate
3 committee, on a form provided by the secretary of state, that
4 includes all of the following information, as applicable, about
5 each contribution delivered as part of the bundled contribution,
6 and about all bundled contributions delivered to that candidate
7 committee in the election cycle:

8 (a) The amount of each contribution, the date it was received
9 by the bundling committee, and the statewide elective office
10 candidate the contributor designated as the intended recipient.

11 (b) Each contributor's name and address. ~~and, for each~~
12 ~~contribution exceeding \$100.00, the contributor's occupation,~~
13 ~~employer, and principal place of business.~~

14 (c) The total amount of bundled contributions delivered to
15 that candidate committee during the reporting period and during the
16 election cycle.

17 (6) For a reporting period in which a bundled contribution is
18 received, a candidate committee of a candidate for statewide
19 elective office shall report to the secretary of state, on a form
20 provided by the secretary of state, all of the following
21 information, as applicable, about each contribution delivered as
22 part of a bundled contribution received in the reporting period and
23 about all bundled contributions received by that candidate
24 committee:

25 (a) The amount of each contribution, the date it was received
26 by the candidate committee, and the name of the bundling committee
27 that delivered the contribution.

28 (b) Each contributor's name and address. ~~and, for each~~
29 ~~contribution exceeding \$100.00, the contributor's occupation,~~

1 ~~employer, and principal place of business.~~

2 (c) The total amount of bundled contributions received by that
3 candidate committee during the reporting period and during the
4 election cycle.

5 (7) For a reporting period in which a connected organization
6 of a separate segregated fund makes a payment for a prize or 1 or
7 more items authorized under section 55(8), the separate segregated
8 fund shall report all of the following, as applicable:

9 (a) The amount of any payment of costs for a prize, the value
10 of the prize, the amount raised by the prize, and the amount, if
11 any, reimbursed to the connected organization by the separate
12 segregated fund for the prize.

13 (b) The amount per item of any payment of costs for items to
14 be sold or offered in return for a contribution as part of
15 fundraising activities for the separate segregated fund, the amount
16 per item that each item is offered at or offered for sale at, the
17 value of each item, the aggregate amount paid for those items, and
18 the amount, if any, reimbursed to the connected organization by the
19 separate segregated fund for any items. If 1 or more of the same
20 items are sold or offered in return for a contribution, a report by
21 item type satisfies the reporting requirement under this
22 subdivision.

23 (8) As used in subsection (7), "value" means the regular
24 purchase price offered by the vendor from whom an item is
25 purchased, less any customary discount offered based on the number
26 of items purchased in the same transaction.

27 Sec. 28. (1) Interest received by a committee on an account
28 consisting of ~~funds~~ **money** belonging to the committee ~~shall~~ **is** not
29 ~~be considered~~ a contribution to the committee but the committee

1 shall report its receipt on a campaign statement as interest. A
2 committee shall report interest paid by the committee on a campaign
3 statement as an expenditure.

4 (2) A committee shall report a loan with an outstanding
5 balance made or received in a separate schedule attached to the
6 campaign statement providing the date and amount of the loan, the
7 date and amount of each payment, the amount of cumulative payments,
8 the amount of the outstanding balance, and whether the loan
9 payments were made by money, services, property, or other means.
10 The committee shall provide the name and address of the lender and
11 each person who is liable directly, indirectly, or contingently on
12 each loan. ~~The committee shall provide the occupation and employer,~~
13 ~~if any, of the lender and each person if the loan is for more than~~
14 ~~\$100.00.~~ If a loan is paid off within a reporting period, this
15 activity need not be reported on a separate schedule to the
16 campaign statement. However, if a loan is forgiven, the committee
17 shall detail that fact on a separate schedule to the campaign
18 statement.

19 (3) Accompanying a campaign statement reporting the receipt of
20 a contribution from a person whose treasurer does not reside in,
21 whose principal office is not located in, or whose ~~funds are money~~
22 ~~is~~ not kept in this state, ~~shall~~ **must** be a statement certified as
23 true and correct by an officer of the contributing person setting
24 forth the full name, address, along with the amount contributed, of
25 each person who contributed to the total amount of the
26 contribution. ~~The occupation, employer, and principal place of~~
27 ~~business shall be stated for each person who contributed more than~~
28 ~~\$100.00.~~ This subsection does not apply if the contributing person
29 is registered as a committee under section 24.

1 Sec. 29. (1) A campaign statement filed by a political party
2 committee ~~shall~~**must** contain all of the following information:

3 (a) The full name and street address of each person from whom
4 contributions are received in a calendar year, the amount, and the
5 date or dates contributed; and, if the person is a committee, the
6 name and address of the committee and the full name of the
7 committee treasurer, together with the amount of the contribution
8 and the date received. ~~The occupation, employer, and principal~~
9 ~~place of business, if any, shall be listed for each person from~~
10 ~~whom contributions totaling more than \$100.00 are received in a~~
11 ~~calendar year.~~

12 (b) Accompanying a campaign statement reporting the receipt of
13 a contribution from a committee or person whose treasurer does not
14 reside in, whose principal office is not located in, or whose ~~funds~~
15 ~~are~~**money is** not kept in this state, and whose committee has not
16 filed a statement of organization as required in section 24, ~~shall~~
17 **must** be a statement setting forth the full name and address of the
18 treasurer of the committee.

19 (c) An itemized list of all expenditures, including in-kind
20 contributions and expenditures and loans, made during the period
21 covered by the campaign statement that were contributions to a
22 candidate committee of a candidate for elective office or a ballot
23 question committee; or independent expenditures in support of the
24 qualification, passage, or defeat of a ballot question or in
25 support of the nomination or election of a candidate for elective
26 office or the defeat of any of the candidate's opponents.

27 (d) The total expenditure by the committee for each candidate
28 for elective office or ballot question in whose behalf an
29 independent expenditure was made or a contribution was given for

1 the election cycle.

2 (e) The filer's name, address, and telephone number, if
3 available, if any, and the full name, address, and telephone
4 number, if available, of the committee treasurer.

5 (2) The committee shall identify an expenditure listed under
6 subsection (1)(c) as an independent expenditure or as a
7 contribution to a candidate committee or a ballot question
8 committee.

9 (3) The committee shall designate for a contribution to or on
10 behalf of a candidate committee or ballot question committee listed
11 under subsection (1)(c) the name and address of the committee, the
12 name of the candidate and the office sought, if any, the amount
13 contributed, and the date of contribution.

14 (4) The committee shall designate for an independent
15 expenditure listed under subsection (1)(c) either the name of the
16 candidate for whose benefit the expenditure was made and the office
17 sought by the candidate, or a brief description of the ballot
18 question for which the expenditure was made; the amount, date, and
19 purpose of the expenditure; and the full name and address of the
20 person to whom the expenditure was made.

21 (5) The committee shall apportion an expenditure listed that
22 was made in support of more than 1 candidate or ballot question, or
23 both, reasonably among the candidates or ballot questions, or both.

24 (6) A campaign statement of a committee, in addition to the
25 other information required by this section, ~~shall~~**must** include an
26 itemized list of all expenditures during the reporting period for
27 election day busing of electors to the polls, get-out-the-vote
28 activities, slate cards, challengers, poll watchers, and poll
29 workers.

1 Sec. 32. (1) A committee, candidate, treasurer, or other
2 individual designated as responsible for the committee's record
3 keeping, record preparation, or report filing shall report a late
4 contribution by filing with the filing officer within 48 hours
5 after its receipt the full name ~~, and~~ street address ~~, occupation,~~
6 ~~employer, and principal place of business~~ of the contributor.

7 (2) Filing of a report of a late contribution under subsection
8 (1) may be by any written means of communication and need not
9 contain an original signature.

10 (3) A late contribution ~~shall~~**must** be reported on subsequent
11 campaign statements without regard to reports filed under
12 subsection (1). If a campaign statement has not been filed, a late
13 contribution may be reported, if practicable, in the campaign
14 statement and need not, therefore, be reported in a subsequent
15 campaign statement.

16 (4) A committee, candidate, treasurer, or other individual
17 designated as responsible for the committee's record keeping,
18 report preparation, or report filing who fails to report a late
19 contribution as required by subsection (1) shall pay a late filing
20 fee ~~, that shall~~**does** not exceed the lesser of the following:

21 (a) The total amount of the contributions omitted from the
22 late contribution reports.

23 (b) \$2,000.00 determined as follows:

24 (i) Twenty-five dollars for each business day the report
25 remains unfiled.

26 (ii) An additional \$25.00 for each business day after the first
27 3 business days the report remains unfiled.

28 (iii) An additional \$50.00 for each business day after the first
29 10 business days the report remains unfiled.

1 (5) A committee, other than a candidate committee, is only
 2 required to file a report of a late contribution for an election
 3 during which the committee made expenditures for the purpose of
 4 influencing the nomination or election of a candidate or for the
 5 qualification, passage, or defeat of a ballot question after the
 6 closing date of the last campaign statement required to be filed
 7 before an election. This subsection is retroactive and takes effect
 8 January 1, 2010.

9 (6) This state by appropriation or a county shall reimburse or
 10 waive any late filing fee paid or assessed under subsection (4) or
 11 (5) between January 1, 2010 and ~~the effective date of the~~
 12 ~~amendatory act that added this subsection.~~ **July 3, 2012.** This
 13 subsection only applies to committees that have filed all other
 14 campaign statements required under this act in a timely manner.
 15 This subsection does not apply to candidate committees.

16 (7) As used in this section, for contributions made before ~~the~~
 17 ~~effective date of the amendatory act that added subsection (6),~~
 18 **July 3, 2012,** "late contribution" means a contribution of \$200.00
 19 or more received after the closing date of the last campaign
 20 statement required to be filed before an election. For
 21 contributions made on or after ~~the effective date of the amendatory~~
 22 ~~act that added subsection (6),~~ **July 3, 2012,** late contribution
 23 means, for a candidate committee, contributions from the same
 24 contributor with a cumulative total of \$500.00 or more received
 25 after the closing date of the last campaign statement required to
 26 be filed before an election. For contributions made on or after ~~the~~
 27 ~~effective date of the amendatory act that added subsection (6),~~
 28 **July 3, 2012,** late contribution means, for a committee other than a
 29 candidate committee, contributions from the same contributor with a

1 cumulative total of \$2,500.00 or more received after the closing
2 date of the last campaign statement required to be filed before an
3 election.

4 Sec. 42. (1) A person who accepts a contribution, other than
5 by written instrument, on behalf of another and acts as the
6 intermediary or agent of the person from whom the contribution was
7 accepted shall disclose to the recipient of the contribution the
8 intermediary's own name and address and the name and address of the
9 actual source of the contribution.

10 (2) A contribution from a person whose treasurer does not
11 reside in, whose principal office is not located in, or whose ~~funds~~
12 ~~are~~ **money is** not kept in this state, ~~shall~~ **must** not be accepted by
13 a person for purposes of supporting or opposing candidates for
14 elective office or the qualification, passage, or defeat of a
15 ballot question unless accompanied by a statement certified as true
16 and correct by an officer of the contributing person setting forth
17 the full name and address along with the amount contributed, of
18 each person who contributed to the total amount of the
19 contribution. ~~The occupation, employer, and principal place of~~
20 ~~business shall be listed for each person who contributed more than~~
21 ~~\$100.00 to the total amount of the contribution.~~ The certified
22 statement ~~shall~~ **must** also state that the contribution was not made
23 from an account containing ~~funds~~ **money** prohibited by section 54.
24 This subsection does not apply if the contributing person is
25 registered as a committee under section 24.

26 (3) A person shall not receive a contribution from a person
27 other than a committee unless, for purposes of the recipient
28 person's record keeping and reporting requirements, the
29 contribution is accompanied by the name and address of each person

1 who contributed to the total amount of the contribution. ~~and the~~
 2 ~~name, address, occupation, employer, and principal place of~~
 3 ~~business of each person who contributed more than \$100.00 to the~~
 4 ~~total amount of the contribution.~~

5 (4) A contribution from a person whose treasurer does not
 6 reside in, whose principal office is not located in, or whose money
 7 is not kept in this state ~~shall~~**must** not be accepted by a person
 8 for purposes of supporting or opposing candidates for elective
 9 office if the contributing person has received contributions on an
 10 automatic basis, including, but not limited to, a payroll deduction
 11 plan, unless the contribution is accompanied by a statement,
 12 certified as true and correct by an officer of the contributing
 13 person, setting forth that all contributions received on an
 14 automatic basis are in full compliance with section 55.

15 (5) A person who knowingly violates this section is guilty of
 16 a misdemeanor punishable, if the person is an individual, by a fine
 17 of not more than \$1,000.00 or imprisonment for not more than 90
 18 days, or both, or, if the person is other than an individual, by a
 19 fine of not more than \$10,000.00.

20 Sec. 46. (1) At the beginning of every odd numbered year, the
 21 secretary of state shall recommend adjustments to and which shall
 22 be approved by the legislature of the dollar value floor for
 23 reporting of the name ~~, and~~ address ~~, occupation, and employer, or~~
 24 ~~principal place of business~~ of persons who make contributions
 25 pursuant to this act, on the basis of the ~~consumer price index~~
 26 **Consumer Price Index** and the number of registered voters in the
 27 state.

28 (2) Beginning January 1, 2019 and every 4 years thereafter,
 29 the secretary of state shall adjust the dollar value contribution

1 limits provided in sections 52, 52a, and 69(1). The secretary of
 2 state shall adjust the limits in sections 52, 52a, and 69(1) by
 3 comparing the percentage increase or decrease in the ~~consumer price~~
 4 ~~index~~ **Consumer Price Index** for the preceding August by the
 5 corresponding ~~consumer price index~~ **Consumer Price Index** 4 years
 6 earlier. The secretary of state shall multiply that percentage
 7 change by the amounts in sections 52, 52a, and 69(1). The secretary
 8 of state shall round up each dollar value adjustment made under
 9 this subsection to the nearest \$25.00. The secretary of state shall
 10 announce the adjustments made under this subsection by December 15
 11 of each year.

12 (3) As used in this section, ~~"consumer price index"~~ **"Consumer**
 13 **Price Index"** means the most comprehensive index of consumer prices
 14 available for the Detroit area from the ~~bureau of labor statistics~~
 15 **Bureau of Labor Statistics** of the United States ~~department of~~
 16 ~~labor~~ **Department of Labor**.

17 Sec. 51. (1) A person, other than a committee, that makes an
 18 independent expenditure, advocating the election or defeat of a
 19 candidate or the qualification, passage, or defeat of a ballot
 20 question, in an amount of \$100.01 or more in a calendar year shall
 21 file a report of the independent expenditure, within 10 days after
 22 making that independent expenditure, with the clerk of the county
 23 of residence of that person. If the independent expenditure
 24 advocates the election or defeat of a candidate for state elective
 25 office or for judicial office, or for the qualification, passage,
 26 or defeat of a statewide ballot question, or if the person making
 27 the independent expenditure is not a resident of this state, the
 28 person shall file the report with the secretary of state in lieu of
 29 filing with a clerk of a county. The report required under this

1 section must be made on an independent expenditure report form
2 provided by the secretary of state, include the date of the
3 expenditure, a brief description of the nature of the expenditure,
4 the amount, the name and address of the person to whom it was paid,
5 the name and address of the person filing the report, together with
6 the name ~~, and~~ address ~~, occupation, employer, and principal place~~
7 ~~of business~~ of each person that contributed \$100.01 or more to the
8 expenditure, and identify the candidate or ballot question for or
9 against which the independent expenditure was made. The filing
10 official receiving the report shall forward copies, as required, to
11 the appropriate filing officers as described in section 36.

12 (2) If a person fails to file a report as required under this
13 section, that person shall pay a late filing fee. If the person has
14 made independent expenditures totaling less than \$10,000.00, the
15 late filing fee is \$25.00 for each business day the report remains
16 unfiled, but not to exceed \$1,000.00. If the person has made
17 independent expenditures totaling \$10,000.00 or more, the late
18 filing fee is \$50.00 for each business day the report remains
19 unfiled, but not to exceed \$5,000.00. A person that violates this
20 subsection by failing to file a report required under this section
21 for more than 30 days after the report is required to be filed is
22 guilty of a misdemeanor punishable by imprisonment for not more
23 than 90 days or a fine of not more than \$1,000.00, or both.