

HOUSE BILL NO. 5928

March 16, 2022, Introduced by Reps. Bollin, Martin and 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 16, 18, and 26 (MCL 169.216, 169.218, and 169.226), section 16 as amended by 2017 PA 184, section 18 as amended by 2013 PA 258, and section 26 as amended by 2019 PA 93.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 16. (1) A filing official shall make a statement or
2 report required to be filed under this act available for public
3 inspection and reproduction, as soon as practicable, but not later

1 than the third business day following the day on which it is
2 received, during regular business hours of the filing official. **The**
3 **secretary of state shall make the statement or report or all of the**
4 **contents of the statement or report required to be filed**
5 **electronically under section 18, including the detailed**
6 **descriptions of the purposes of expenditures or disbursements**
7 **required under section 26, available to the public on a single**
8 **website established and maintained by the secretary of state,**
9 **without charge, not later than the third business day following the**
10 **day on which the statement or report is received.** If the report is
11 a report of a late contribution under section 32(1) made to the
12 secretary of state, the secretary of state shall also make the
13 report or all of the contents of the report available to the public
14 on the internet, without charge, as soon as practicable but not
15 later than the end of the business day on which it is received, at
16 a single website established and maintained by the secretary of
17 state.

18 (2) A **filing official shall provide a** copy of a statement or
19 part of a statement ~~shall be provided by a filing official~~ at a
20 reasonable charge.

21 (3) A statement open to the public under this act ~~shall~~**must**
22 not be used for any commercial purpose.

23 (4) Except as otherwise provided in this subsection, a
24 statement of organization filed under this act with a filing
25 official who is not the secretary of state ~~shall~~**must** be preserved
26 by that filing official for 5 years ~~from~~**after** the official date of
27 the committee's dissolution. A statement of organization filed
28 under this act with a filing official who is not the secretary of
29 state that is filed by a committee that received more than

1 \$50,000.00 in an election cycle ~~shall~~**must** be preserved by that
2 filing official for 15 years ~~from~~**after** the official date of the
3 committee's dissolution. A statement of organization filed under
4 this act with the secretary of state ~~shall~~**must** be preserved by the
5 secretary of state for 15 years ~~from~~**after** the official date of the
6 committee's dissolution. Except as otherwise provided in this
7 subsection, any other statement or report filed under this act with
8 a filing official who is not the secretary of state ~~shall~~**must** be
9 preserved by that filing official for 5 years ~~from~~**after** the date
10 the filing occurred. Any other statement or report filed under this
11 act with a filing official who is not the secretary of state that
12 is filed by a committee that received more than \$50,000.00 in an
13 election cycle ~~shall~~**must** be preserved by that filing official for
14 15 years ~~from~~**after** the date the filing occurred. Any other
15 statement or report filed under this act with the secretary of
16 state ~~shall~~**must** be preserved by the secretary of state for 15
17 years ~~from~~**after** the date the filing occurred. Upon a determination
18 under section 15 that a violation of this act has occurred, all
19 complaints, orders, decisions, or other documents related to that
20 violation ~~shall~~**must** be preserved by the filing official who is not
21 the secretary of state or the secretary of state for 15 years ~~from~~
22 **after** the date of the court determination or the date the
23 violations are corrected, whichever is later. Statements and
24 reports filed under this act may be reproduced pursuant to the
25 records reproduction act, 1992 PA 116, MCL 24.401 to 24.406. After
26 the required preservation period, the statements and reports, or
27 the reproductions of the statements and reports, may be disposed of
28 in the manner prescribed in the management and budget act, 1984 PA
29 431, MCL 18.1101 to 18.1594, and section 11 of the Michigan history

1 center act, 2016 PA 470, MCL 399.811.

2 (5) ~~A~~ **Except a late filing fee required under this act, a**
3 filing official shall not collect a charge for the filing of a
4 required statement or report or for a form ~~upon~~ **on** which the
5 statement or report is to be prepared. ~~, except a late filing fee~~
6 ~~required by this act.~~

7 (6) A filing official shall determine whether a statement or
8 report filed under this act complies, on its face, with the
9 requirements of this act and the rules promulgated under this act.
10 The filing official shall determine whether a statement or report
11 that is required to be filed under this act is in fact filed.
12 ~~Within~~ **Not later than** 4 business days after the deadline for filing
13 a statement or report under this act, the filing official shall
14 give notice to the filer by registered mail of an error or omission
15 in the statement or report and give notice to a person the filing
16 official has reason to believe is a person required to and who
17 failed to file a statement or report. A failure to give notice by
18 the filing official under this subsection is not a defense to a
19 criminal action against the person required to file.

20 (7) ~~Within~~ **Not later than** 9 business days after the report or
21 statement is required to be filed, the filer shall make any
22 corrections in the statement or report filed with the appropriate
23 filing official. If the report or statement was not filed, then the
24 report or statement ~~shall~~ **must** be late filed ~~within~~ **not later than**
25 9 business days after the time it was required to be filed and
26 ~~shall be~~ **is** subject to late filing fees.

27 (8) After 9 business days and before 12 business days have
28 expired after the deadline for filing the statement or report, the
29 filing official shall report errors or omissions that were not

1 corrected and failures to file to the attorney general.

2 (9) A statement or report required to be filed under this act
3 ~~shall~~**must** be filed not later than 5 p.m. of the day in which it is
4 required to be filed. A preelection statement or report due on July
5 25 or October 25 under section 33 that is postmarked by registered
6 or certified mail, or sent by express mail or other overnight
7 delivery service, at least 2 days before the deadline for filing is
8 filed within the prescribed time regardless of when it is actually
9 delivered. Any other statement or report required to be filed under
10 this act that is postmarked by registered or certified mail or sent
11 by express mail or other overnight delivery service on or before
12 the deadline for filing is filed within the prescribed time
13 regardless of when it is actually delivered.

14 Sec. 18. (1) The secretary of state shall develop and
15 implement an electronic filing and internet disclosure system that
16 permits committees that are required to file statements or reports
17 under this act with the secretary of state to file those statements
18 or reports electronically and that provides internet disclosure of
19 electronically filed statements or reports on a website.

20 (2) The secretary of state shall offer each committee required
21 to file with the secretary of state the option of filing campaign
22 statements or reports electronically, as described in subsection
23 (1).

24 (3) Beginning with the annual campaign statement due January
25 31, 2014, each committee required to file with the secretary of
26 state that received or expended \$5,000.00 or more in the preceding
27 calendar year or expects to receive or expend \$5,000.00 or more in
28 the current calendar year shall electronically file all statements
29 and reports required under this act, as described in subsection

1 (1).

2 (4) If a committee was not required to file a campaign
3 statement under subsection (3) only because it did not meet the
4 applicable threshold of receiving or expending \$5,000.00 or more,
5 but the committee later reaches that threshold, the committee shall
6 notify the secretary of state within 10 business days after
7 reaching that threshold and shall subsequently file electronically
8 all statements and reports required under this act.

9 (5) ~~The~~ **Except an original statement of organization, the**
10 secretary of state shall permit a committee to electronically file
11 statements and reports required under this act, as described in
12 subsection (1), ~~except an original statement of organization,~~ after
13 the committee treasurer and, for a candidate committee, the
14 candidate has signed and filed a form designed by the secretary of
15 state to serve as the signature verifying the accuracy and
16 completeness of each statement or report filed electronically.

17 **(6) The secretary of state shall update the electronic filing**
18 **and internet disclosure system created under subsection (1) as**
19 **necessary each time a change is made to the requirements of**
20 **campaign statements filed under section 26.**

21 Sec. 26. (1) A campaign statement of a committee, other than a
22 political party committee, required ~~by~~ **under** this act must contain
23 all of the following information:

24 (a) The filing committee's name, address, and telephone
25 number, and the full name, residential and business addresses,
26 ~~electronic mail~~ **email** address, and telephone numbers of the
27 committee treasurer or other individual designated as responsible
28 for the committee's record keeping, report preparation, or report
29 filing.

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

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

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

22 (i) The type of event, date held, address and name, if any, of
23 the place where the activity was held, and approximate number of
24 individuals participating or in attendance.

25 (ii) The total amount of all contributions.

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

27 (iv) The expenditures incident to the event.

28 (e) The full name of each individual from whom contributions
29 are received during the period covered by the campaign statement,

1 together with the individual's street address, the amount
2 contributed, the date on which each contribution was received, and
3 the cumulative amount contributed by that individual. The
4 occupation, employer, and principal place of business must be
5 stated if the individual's cumulative contributions are more than
6 \$100.00. For contributions of \$5.00 or less by an individual to a
7 political committee or independent committee, the secretary of
8 state shall accept for filing any written communication from the
9 political committee or independent committee that contains the
10 information otherwise required under this subsection. Any written
11 communication under this subdivision does not need to contain an
12 original signature.

13 (f) ~~The~~ **Except those individuals reported under subdivision**
14 **(e), the** cumulative amount contributed and the name and address of
15 each individual ~~, except those individuals reported under~~
16 ~~subdivision (e),~~ who contributed to the committee. The occupation,
17 employer, and principal place of business must be stated for each
18 individual who contributed more than \$100.00.

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

24 (h) The name, address, and amount given by an individual who
25 contributed to the total amount contributed by a person who is
26 other than a committee or an individual. The occupation, employer,
27 and principal place of business must be stated if the individual
28 contributed more than \$100.00 of the total amount contributed by a
29 person who is other than a committee or an individual.

1 (i) ~~The~~ **Except for expenditures made to or on behalf of**
2 **another committee, candidate, or ballot question, the** cumulative
3 total of expenditures and other disbursements totaling \$50.00 or
4 less to any person made during the period covered by the campaign
5 statement. ~~except for expenditures made to or on behalf of another~~
6 ~~committee, candidate, or ballot question.~~

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

22 (2) A candidate committee or ballot question committee shall
23 report all cumulative amounts required ~~by~~ **under** this section on a
24 per election cycle basis. Except as provided in subsection (1)(j),
25 an independent committee, independent expenditure committee, or
26 political committee shall report all cumulative amounts **as** required
27 ~~by~~ **under** this section on a calendar year basis.

28 (3) A campaign statement of a committee, in addition to the
29 other information required ~~by~~ **under** this section, must include an

1 itemized list of all expenditures during the reporting period for
2 election day busing of electors to the polls, get-out-the-vote
3 activities, slate cards, challengers, poll watchers, and poll
4 workers.

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

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

17 (b) Each contributor's name and address and, for each
18 contribution exceeding \$100.00, the contributor's occupation,
19 employer, and principal place of business.

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

22 (d) The total amount of bundled contributions delivered to
23 that candidate committee during the reporting period and during the
24 election cycle.

25 (5) With its delivery of a bundled contribution to the
26 candidate committee of a candidate for statewide elective office, a
27 bundling committee shall deliver a report to that candidate
28 committee, on a form provided by the secretary of state, that
29 includes all of the following information, as applicable, about

1 each contribution delivered as part of the bundled contribution,
2 and about all bundled contributions delivered to that candidate
3 committee in the election cycle:

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

7 (b) Each contributor's name and address and, for each
8 contribution exceeding \$100.00, the contributor's occupation,
9 employer, and principal place of business.

10 (c) The total amount of bundled contributions delivered to
11 that candidate committee during the reporting period and during the
12 election cycle.

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

21 (a) The amount of each contribution, the date it was received
22 by the candidate committee, and the name of the bundling committee
23 that delivered the contribution.

24 (b) Each contributor's name and address and, for each
25 contribution exceeding \$100.00, the contributor's occupation,
26 employer, and principal place of business.

27 (c) The total amount of bundled contributions received by that
28 candidate committee during the reporting period and during the
29 election cycle.

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

5 (a) The amount of any payment of costs for a prize, the value
6 of the prize, the amount raised by the prize, and the amount, if
7 any, reimbursed to the connected organization by the separate
8 segregated fund for the prize.

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

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