HOUSE BILL NO. 4382

April 23, 2025, Introduced by Reps. Morgan, Wegela, Byrnes, McKinney, Price, DeSana, Wilson, McFall, Rheingans, MacDonell and Dievendorf and referred to Committee on Government Operations.

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

(MCL 169.201 to 169.282) by adding section 30a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- Sec. 30a. (1) A covered person shall not make a donation or contribution to any of the following:
- 3 (a) A 501(c)(4) organization or a 527 organization that is 4 controlled or directed by any of the following:
 - (i) A candidate for state elective office.

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- 1 (ii) An elected state official.
- 2 (iii) A former elected state official.
- 3 (iv) An appointed state official.
- 4 (v) A state or local party committee.
- 5 (vi) A 501(c)(4) organization or 527 organization in which a
- 6 state or local candidate, appointed official, or elected official
- 7 controls or sits on the board of that organization.
- 8 (b) A 501(c)(4) organization or a 527 organization in which a
- 9 candidate for state elective office, appointed state official,
- 10 elected state official, former elected state official, or affiliate
- 11 is employed by or sits on the board of that organization.
- 12 (c) A candidate committee.
- 13 (d) A political party committee.
- 14 (e) A political committee.
- 15 (f) An independent committee.
- 16 (g) A separate segregated fund.
- 17 (2) A covered person that violates this section is subject to
- 18 a civil fine of not less than 5 times and not more than 10 times
- 19 the amount of the unlawful contribution.
- 20 (3) As used in this section:
- 21 (a) "Affiliate" means any family member, employee, contract
- 22 employee, or staff member of any of the following:
- 23 (i) An elected state official.
- 24 (ii) A candidate for state elective office.
- 25 (iii) A former elected state official.
- 26 (iv) An appointed state official.
- 27 (b) "Covered person" means any of the following:
- 28 (i) A principal of a regulated utility.
- 29 (ii) A principal of the holding company for a regulated

- 1 utility.
- 2 (iii) A principal for a company that has a 5% or greater
- 3 ownership stake in a regulated utility.
- 4 (iv) A committee, 501(c)(4) organization, 527 organization, or
- 5 separate segregated fund that meets any of the following:
- 6 (A) Is organized by any officer, employee, contract employee,
- 7 or staff member or any family member of an officer, employee,
- 8 contract employee, or staff member of the regulated utility.
- 9 (B) Maintains any of the individuals listed in sub-
- 10 subparagraph (A) on its board, in leadership positions, or as staff
- 11 or consultants.
- 12 (C) Receives at least half its funding in any year from a
- 13 regulated utility or the principals of a regulated utility.
- 14 (c) "Elected state official" means an individual who holds a
- 15 state elective office in this state.
- 16 (d) "Family member" means any of the following:
- 17 (i) A spouse or ex-spouse.
- 18 (ii) A child, stepchild, grandchild, parent, sibling, niece, or
- 19 nephew.
- 20 (iii) The spouse of a child, stepchild, grandchild, parent,
- 21 sibling, niece, or nephew.
- 22 (e) "501(c)(4) organization" means an organization that claims
- 23 tax-exempt status under section 501(c)(4) of the internal revenue
- 24 code of 1986, 26 USC 501.
- 25 (f) "527 organization" means an organization that claims tax-
- 26 exempt status under section 527 of the internal revenue code of
- 27 1986, 26 USC 527.
- 28 (g) "Former elected state official" means an individual who no
- 29 longer holds state elective office but held state elective office

- 1 during the previous 2 years.
- 2 (h) "Principal" means any of the following:
- 3 (i) The chief executive officer or a comparable officer.
- 4 (\ddot{u}) A member of the board of directors or the equivalent of the board of directors.
- 6 (iii) An individual who has an ownership interest of 5% or 7 greater.
- 8 (iv) A president, treasurer, or executive vice president.
- 9 (v) Any officer or employee who has managerial or
- 10 discretionary responsibilities with respect to government affairs
- 11 with this state, a state agency, a local government, or a political
- 12 subdivision of a local government.
- 13 (vi) The spouse or dependent child of an individual listed
- 14 under subparagraphs (i) through (v).
- 15 (vii) A political committee established or controlled by an
- 16 individual listed under subparagraphs (i) through (vi), or a
- 17 regulated utility.
- 18 (viii) Any subsidiary business controlled directly or indirectly
- 19 by a regulated utility.
- 20 (ix) Any person acting on behalf of the persons listed under
- 21 this subdivision, including, but not limited to, a lobbying firm,
- 22 employee of a lobbying firm, or family member of an employee of a
- 23 lobbying firm if the lobbying firm has a contract with a regulated
- 24 utility.
- 25 (i) "Regulated utility" means a natural gas utility or an
- 26 electric utility as those terms are defined under section 9 and 10h
- 27 of 1939 PA 3, MCL 460.9 and 460.10h.