



STATE OF MICHIGAN  
TERRI LYNN LAND, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

**DATE:** December 23, 2008  
**TO:** Candidate Committees  
**FROM:** Michigan Department of State, Bureau of Elections  
**SUBJECT:** ANNUAL CAMPAIGN STATEMENT

**Our records indicate your committee may be required to file the Annual Campaign Statement due on Monday, February 2, 2009.**

**All committees required to file with the Secretary of State that spend or receive \$20,000.00 or more in a calendar year or expect to spend or receive \$20,000.00 or more in a calendar year are required to file electronically. Committees are automatically registered for the MERTS Plus software when a Statement of Organization is filed. Training (on-site or on-line) can be arranged by accessing the MERTS Plus Web site at [www.mertsplus.com](http://www.mertsplus.com).**

### **Committees Exempt From Filing**

A Candidate Committee that does not fall into one of the following exemptions must file the Annual Campaign Statement:

- A Candidate Committee that currently has a Reporting Waiver or qualifies for and obtains a Reporting Waiver on or before February 2, 2009 is not required to file the Annual Campaign Statement. (The Reporting Waiver exemption is discussed in greater detail later in this memo.)
- The Candidate Committee of an officeholder whose salary is less than \$100.00 a month is not required to file the Annual Campaign Statement. **PLEASE NOTE:** To be eligible for this exemption, the committee must not have received any contributions or made any expenditures during the period of time covered by the Annual Campaign Statement.
- A Candidate Committee that filed a Post-General Campaign Statement due in December 2008 is not required to file the 2009 Annual Campaign Statement.
- The Candidate Committee of an incumbent judge is not required to file the Annual Campaign Statement.

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Please do not hesitate to call the Department of State's Bureau of Elections at (517) 373-2540 if you wish to confirm whether your committee must meet, or is exempt from, the Annual Campaign Statement filing requirement.

### **Coverage Dates**

- The opening date for an Annual Campaign Statement is the day after the closing date of the last Campaign Statement filed by the committee. If the committee has never filed Campaign Statements, the opening date of the first Campaign Statement is the earlier of the following two dates: (1) the date the committee accepted its first contribution or made its first expenditure or (2) the committee's formation date.
- The Annual Campaign Statement closes on December 31, 2008 and must be filed on or before Monday, February 2, 2009 by 5:00 p.m.

### **Campaign Statement Forms**

Forms for filing the 2009 Annual Campaign Statement are available on our Web site at [www.michigan.gov/sos](http://www.michigan.gov/sos). The forms can also be obtained by contacting the Michigan Department of State's Bureau of Elections by phone or email at [DISCLOSURE@michigan.gov](mailto:DISCLOSURE@michigan.gov).

### **Accurate Campaign Statements Are Required!**

- If the committee raised **\$10,000.00 or less** during the previous 2 years, a \$25.00 late filing fee will be assessed each business day the Statement remains unfiled up to a maximum of \$500.00.
- If the committee raised **more than \$10,000.00** during the previous 2 years, a \$50.00 late filing fee will be assessed each business day the Statement remains unfiled up to a maximum of \$1,000.00.
- A late filing fee issued to the Candidate Committee for an Annual Campaign Statement cannot be paid with committee funds.
- An Annual Campaign Statement that is hand-delivered, sent by first class mail, or filed electronically via the Internet, must reach this office by 5:00 p.m. on Monday, February 2, 2009. Be sure to allow ample mailing time if sending first class.
- An Annual Campaign Statement submitted on paper or diskette, that is sent by registered mail, certified mail or an overnight delivery service and postmarked on or before February 2, 2009, will be accepted as timely regardless of when it arrives. Committees are encouraged to use this method of delivery to avoid late filing fees. If filing on paper, the Campaign Statement must be filed in duplicate (one original and one photocopy).

- Be sure to fill out all forms as accurately as possible. Notices will be sent to the committee if required forms are omitted, names or addresses are missing, figures are incorrect, etc. The committee is then required to file an amendment to correct the error.
- A Campaign Statement will not be accepted if it is illegible, does not bear the proper signatures or is filed in a computer format that has not been approved by the Department of State's Bureau of Elections.

### **Reporting Waiver Provisions**

As stated above, a Candidate Committee is exempt from the Annual Campaign Statement filing requirement if it currently has a Reporting Waiver or qualifies for and obtains a Reporting Waiver on or before February 2, 2009. A Candidate Committee that does not expect to receive or spend more than \$1,000.00 for any election is eligible for a Reporting Waiver. All candidate contributions, both direct and in-kind, count against this threshold. In-kind contributions received by the committee and debt incurred by the committee must be considered when determining if the committee is eligible for a Reporting Waiver.

- To become eligible for a Reporting Waiver, the Candidate Committee must check item 10 on its Statement of Organization. This tells the filing official that the committee does not expect to receive or spend more than \$1,000.00 for any election. The committee can check item 10 on its original or an amended Statement of Organization.
- A Candidate Committee that does not check item 10 on its Statement of Organization is not eligible for a Reporting Waiver. This means that the committee must file Campaign Statements regardless of the amount received or spent during the reporting period.
- A Candidate Committee automatically loses its Reporting Waiver if it receives or spends more than \$1,000.00 for an election. Unexpended funds from the previous election count toward the amount received for the next election. In-kind contributions must be added to the total direct contributions and other receipts received by the committee when determining whether or not the committee has lost a Reporting Waiver. If the Reporting Waiver is lost, the committee must file the next required Campaign Statement.

### **Dissolution Information**

To be eligible for dissolution, a Candidate Committee must have no assets or outstanding debts. An unpaid late filing fee is considered to be a committee debt. Committees of unsuccessful candidates are encouraged to dissolve on the Post-Primary Campaign Statement if possible to avoid further filing requirements and potential late filing fees. An officeholder cannot dissolve his or her Candidate Committee until his or her term of office expires. Exceptions to this provision exist for officeholders who are not eligible to seek reelection. For further information on this exception, please contact the Department of State's Bureau of Elections.

Unexpended funds in a Candidate Committee account must be disbursed in the following ways:

- given to a Political Party Committee (state central, congressional district or county);
- given to a tax exempt charitable organization (provided that the candidate does not become an officer or director of the organization or receive compensation, either directly or indirectly, from the organization). Note: When a dissolving committee contributes all or part of its remaining funds to a tax-exempt charitable organization, the committee must submit confirmation (letter, receipt, etc.,) from the charitable organization acknowledging that the contribution was received.
- returned to contributors of the funds;
- given to a House Political Party Caucus Committee (if the Candidate Committee was established by a candidate for the State House);
- given to a Senate Political Party Caucus Committee (if the Candidate Committee was established by a candidate for the State Senate);
- given to an Independent Committee;
- given to a Ballot Question Committee; or
- transferred to another Candidate Committee simultaneously held by the same person if the contribution limits that apply to the Candidate Committee receiving the funds are the same or greater than the contribution limits that apply to the Candidate Committee transferring the funds. (Further information on transfers can be found in the Candidate Committee Manual.)

Judicial candidates are advised to contact the Michigan State Bar Association at (517) 346-6300 for additional information on dispersing unexpended committee funds.

If a committee does not have a Reporting Waiver, the committee is dissolved by filing a detailed Campaign Statement with supporting Schedules.

### **Statement of Organization Amendments Due With Campaign Statements**

A committee registered under the Michigan Campaign Finance Act is required to amend its Statement of Organization if any information previously reported on the form changes. Required amendments to the form must be filed no later than the due date of the next required Campaign Statement. Therefore, if your committee is required to file the February 2, 2009 Annual Campaign Statement, we urge you to review your committee's Statement of Organization before you file the Campaign Statement. If any information on the Statement of Organization has changed, be sure to file the required amendment no later than February 2, 2009.

### **Candidate Committees Using MERTS Plus Software**

The following reminders are offered for Candidate Committees that plan to use the MERTS Plus software to electronically file the 2009 Annual Campaign Statement. **Questions concerning the use of the software should be directed to MERTS Plus Tech Support at: (703) 749-4642 or sent by e-mail to [mertstechsupport@nicusa.com](mailto:mertstechsupport@nicusa.com).**

- **Election Cycles** – Make sure the current election cycle that began on November 5, 2008, is entered into the Election Cycles Window. Election Cycles information can be found at [www.Michigan.gov](http://www.Michigan.gov). Select *Elections in Michigan* and *Campaign Finance Disclosure*.
- **Reporting Periods** – A separate report record, with the correct coverage dates, must be created in the Reports Window for each Campaign Statement that will be electronically submitted by the committee.
- **Amendments to Campaign Statements** – An amended Campaign Statement cannot be filed until an original Campaign Statement has been electronically filed. If you create more than one amendment to a report, each amendment must be electronically submitted in the order it was created.

### **Questions?**

If you have any questions, please phone us at (517) 373-2540 or write us at the address indicated below. The address below should also be used to mail your filings by first class mail, registered mail or certified mail.

Michigan Department of State  
Bureau of Elections  
Post Office Box 20126  
Lansing, Michigan 48901-0726

If you would like to visit our office or use an overnight delivery service, the address below is provided.

Richard H. Austin State Office Building, 1<sup>st</sup> Floor  
430 West Allegan Avenue  
Lansing, Michigan 48918-1700