

Appendix P

SPECIAL ELECTIONS

Section 5 of the Michigan Campaign Finance Act (MCFA) provides that a special election is an election for the purposes of the Act. Therefore, the funds spent or received by elected officeholders to seek office at a special election are regulated under the MCFA.

To comply with the contribution limits set out by the MCFA for an office being elected at a special election, the committee must understand the definition of “election cycle.” Election cycle is defined below.

- For a general election, the period beginning the day following the last general election in which the office appeared on the ballot and ending on the day of the general election in which the office next appears on the ballot.
- For a special election, the period beginning the day a special general election is called or the date the office becomes vacant, whichever is earlier, and ending on the day of the special general election.

Election cycles are date ranges used to accumulate contributions and expenditures for reporting and contribution limit purposes. Election cycles must be understood to avoid violating the MCFA by accepting or making an excess contribution. Contribution limits for all offices are based on the election cycle of the office. For the contribution limits of specific offices, please see Contribution Limits - State Elective Offices and Contribution Limits - Local Candidates.

CANDIDATE COMMITTEES INVOLVED IN A SPECIAL ELECTION ONLY

A candidate participating in a special election must register his or her Candidate Committee with the appropriate filing official. Every candidate is required to establish a Candidate Committee to further his/her nomination or election. In the case of a candidate who seeks election to an office being filled at a special election, the contribution limits are set within the dates mapped out by the above definition of election cycle.

The funds must be deposited into and expenditures made from the Candidate Committee account.

CANDIDATE COMMITTEES INVOLVED IN A SPECIAL ELECTION AND A REGULAR ELECTION

A candidate participating in a special election and a regular election for the same office must register a single Candidate Committee with the appropriate filing official. Every candidate is required to establish a Candidate Committee to further his/her nomination or election. If a committee has already been established for that office, the existing committee must be used for both the regular election and the special election.

Committees of candidates participating in both a special election and a regular election may receive contributions for both the regular election and the special election. Care must be taken to ensure that the contribution limits are not violated.

- Contributions received before the beginning of the election cycle of the special election are attributed toward the contribution limit of the contributor for the regular election.
- Contributions received during the election cycle of the special election that are designated in writing for the special election must not exceed the contribution limit of the contributor for the election cycle of the special election.
- Contributions received during the election cycle of the special election that are designated in writing for the regular election must not exceed the contribution limit of the contributor for the election cycle of the regular election. These contributions must be accumulated with the contributions received prior to the election cycle of the special election in order to calculate the amount contributed for the regular election.
- Undesignated contributions received during the overlapping period of the election cycles can be applied by the committee to either the special election or general election, but not both. Again, the contribution must not exceed the contribution limit of the contributor.
- Contributions made after the date of the special election can be designated in writing for the special election only if the contribution does not exceed either the contribution limit of the contributor or the Candidate Committee's net outstanding debts and obligations from the special election.
- Contributions made after the date of the special election are attributed toward the contribution limit of the contributor for the regular election unless they are specifically designated in writing for the special election. These contributions must be accumulated with the contributions received throughout the entire election cycle of the regular election in order to calculate the amount contributed for the regular election.

All contributions must be deposited into and expenditures made from the Candidate Committee account. Candidate Committees are urged to secure accounting resources to ensure that all special election and regular election contributions are separately identified as the election cycles for the two elections are running concurrently. This will assist the Candidate Committee in properly reporting special election activity and accounting for all contributions.

Leftover Funds

After the date of the special election it may be necessary to determine whether the contributions designated for the special election are a part of the leftover funds. Left over funds are contributions designated for the special election in excess of the amount spent by the committee for special election expenditures. A candidate committee will make this determination by using a normally accepted accounting procedure such as LIFO (last in, first out). Left over funds can be returned to contributors, re-designated by the committee to the regular election to the extent that this re-designation does not exceed the contribution limits of the regular election, or disposed of according to the provisions of section 45 of the MCFA.

POLITICAL COMMITTEE, INDEPENDENT COMMITTEE AND POLITICAL PARTY COMMITTEE PARTICIPATION IN A SPECIAL ELECTION

Other committees that wish to participate in a special election must also understand the election cycle definition to avoid violating the MCFA by making an excess contribution. Committees are encouraged to track the contribution limits by clearly designating the contributions for the special election verses any regular elections that the committee may be participating in by contributing to candidates.

REQUIRED FILINGS

As a special election is an election under the MCFA, all applicable filing deadlines for all Campaign Statements and reports must be followed. This includes detailed Campaign Statements, Late Contribution Reports, 24-Hour Reports and Special Election Independent Expenditure Reports.