



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

MEMORANDUM

DATE: October 19, 2009

TO: Independent and Political Committees Registered on State Level

FROM: Michigan Department of State, Bureau of Elections

SUBJECT: UPCOMING FILING REQUIREMENTS

- **The careful review of this memo is recommended to ensure that you are aware of the filings required of your committee in the coming months. This memorandum replaces the post card reminder that is commonly mailed to you in October.**
- **All Independent and Political Committees that do not maintain a Reporting Waiver are required to file the October Campaign Statement due on October 26, 2009.**
- **Independent and Political Committees that participate in the November 3 general election may be required to file:**
 - **Late Contribution Reports**
 - **Special Election Independent Expenditure Reports**
- **Each Independent and Political Committee that received or expended \$20,000.00 or more in the previous or current calendar year or expects to receive \$20,000.00 or more in the next calendar year is required to file electronically. Committees may apply for MERTS Plus software on line at the MERTS Plus Web site: www.mertsplus.com.**
- **Independent and Political Committees that are required to file Campaign Statements electronically must also file Late Contribution Reports and Special Election Independent Expenditure Reports electronically. To avoid serious Late Filing Fees on Late Contribution Reports be sure to file timely and electronically when required.**

October Campaign Statement

All Independent and Political Committees that do not maintain a Reporting Waiver are required to file the October Campaign Statement due on October 26, 2009. The Campaign Statement is required even if the committee has no transactions to report for the period covered by the Campaign Statement.

The October Campaign Statement is not required of an Independent or Political Committee that maintains a Reporting Waiver. Note that a Reporting Waiver is lost if the committee receives or spends more than \$1,000.00 during the course of the year, has an account balance over \$1,000.00 or has over \$1,000.00 in debts.

Coverage Dates of Statement

The October Campaign Statement due on October 26, 2009 opens on the day after the "closing date" of the last Campaign Statement filed by the committee. If the committee has never filed a Campaign Statement, the October 26 Campaign Statement opens on the earlier of the following two dates: 1) the committee's formation date or 2) the date the committee accepted its first contribution or made its first expenditure.

The October 26, 2009 Campaign Statement closes on October 20, 2009.

Forms: Number of Copies Required

Forms for filing the October Campaign Statement are available on our Web site at www.michigan.gov/sos.

When filing on paper, one original copy of the October 26 Campaign Statement is required. A duplicate copy is not required. When filing electronically, a paper submission is not required.

File on Time!

If the committee raised **\$10,000.00 or less** during the previous two years, a \$25.00 late filing fee will be assessed each business day the Campaign Statement remains unfiled up to \$500.00. If the committee raised **more than \$10,000.00** during the previous two years, the maximum late filing fee which may be assessed is increased to \$1,000.00.

- Electronic filings sent via the Internet must be transmitted and received by the Bureau of Elections by 5:00 p.m. on October 26, 2009.
- An October 26 Campaign Statement that is hand-delivered or sent by first class mail must reach this office before 5:00 p.m. on Monday, October 26, 2009. Be sure to allow ample mailing time if sending first class.
- An October 26 Campaign Statement submitted on paper or removable media that is mailed by registered mail, certified mail or an overnight delivery service and postmarked two or more calendar days before the filing deadline will be accepted as timely regardless of when it arrives.
- A Campaign Statement submitted on paper by a committee required to file electronically will not be accepted.

- Be sure to include complete and accurate information required on the Statement forms accurately. Notices will be sent to the committee if forms are left off, figures are wrong, addresses 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 a proper signature or is not the proper size.

A Campaign Statement that is filed by removable media will not be considered filed if it cannot be loaded due to circumstances that are not within the Department's control including missing files, incorrect file attachments or corrupt files.

Statement of Organization Amendments Required With 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 an appropriate amendment to the form no later than October 26, 2009. An amended Statement of Organization cannot be filed electronically.

If a committee has a Reporting Waiver and is not required to file Campaign Statements, amendments to the Statement of Organization may be filed any time information on the form changes. A committee without a Reporting Waiver is encouraged to file an amended Statement of Organization as soon as a change of information takes place.

To download a Statement of Organization form for Independent Committees and Political Committees go to www.Michigan.gov/sos and click on "Elections in Michigan," "Campaign Finance Disclosure," "Forms and Filing Materials," and then "Independent/Political (PAC) Committees."

ADDITIONAL FILING REQUIREMENTS – IMMEDIATE DISCLOSURE REPORTS

When required, the following reports must be filed by Independent and Political Committees. **The reports are not waived by a Reporting Waiver.**

Late Contribution Reports and Special Election Independent Expenditure Reports - Electronic Filing

Committees that file electronically must use e-IDR to file Late Contribution Reports and Special Election Independent Expenditure Reports. However, all committees are encouraged to use the e-IDR program voluntarily.

Late filing fees will be assessed in instances where reports that must be submitted electronically are not filed using e-IDR.

To file using e-IDR, go to www.Michigan.gov/sos and click the following: "Elections in Michigan," "Campaign Finance Disclosure," "E-Filing" and then "Immediate Disclosure Reports (e-IDR)."

Late Contribution Reports

An Independent or Political Committee that participates in the November 3, 2009 election is required to file a "Late Contribution Report" if the committee receives a contribution of \$200.00 or more beginning on October 19 through October 31, 2009.

- A Late Contribution Report must be received by this office within 48 hours after the committee's receipt of the contribution. A Late Contribution Report must contain the date and amount of the contribution along with the contributor's name, street address, occupation, employer and principal place of business.
- The late contribution must also be disclosed on the next Campaign Statement filed by the committee.
- Committees that are required to file campaign statements electronically must use e-IDR to file Late Contribution Reports. For information on using e-IDR to file electronically, see page 3 of this memorandum.
- For committees not required to file electronically the report may be submitted by fax or any other means of written communication. A Late Contribution Report need not contain an original signature.
- A form for filing a Late Contribution Report on paper is available on our Web site: www.Michigan.gov/sos.
- Late Contribution Reports are not waived by a Reporting Waiver. However, committees with a Reporting Waiver are not required to show late contributions on a Campaign Statement.
- A committee treasurer or designated record keeper who fails to file a Late Contribution Report required under Michigan's Campaign Finance Act is responsible for the payment of a late filing fee up to \$2,000.00. **NOTE: Appendix E of the Political Committee and Independent Committee Manual details how quickly this fee accumulates.**

Special Election Independent Expenditure Report

An Independent or Political Committee is required to file a Special Election Independent Expenditure Report if the committee makes an independent expenditure to support or oppose a candidate or ballot question within 45 calendar days before a special election in which the candidate or ballot question is involved.

Given the above, an Independent or Political Committee that makes an independent expenditure from September 19, 2009 through November 3, 2009 to support or oppose a candidate participating in the November 3, 2009 special election scheduled in State Senate District 19 is required to file a "Special Election Independent Expenditure Report."

The report must be filed with the Department of State's Bureau of Elections within 48 hours after the independent expenditure is made. Independent expenditures are expenditures made on behalf of the candidate which are not made under the control or with the consent of the candidate's Candidate Committee.

- Special Election Independent Expenditure Reports are not waived by a Reporting Waiver.
- Committees that are required to file electronically must use e-IDR to file Special Election Independent Expenditure Reports. For information on using e-IDR to file electronically, see page 3 of this memorandum.
- Committees that are not required to file electronically may file using e-IDR as explained above or complete a Special Election Independent Expenditure Report on paper. Simply attach an Itemized Independent Expenditures Schedule (2B-1) to a Campaign Statement Cover Page, entering the appropriate information and submitting the forms within the 48-hour period explained above. The Cover Page must list the committee's name and identification number and be signed by the committee's treasurer or designated record keeper. The Itemized Independent Expenditures Schedule must list the date and the amount of the independent expenditure; the name of the candidate and the office he or she seeks; the name and address of the person to whom the independent expenditure was paid; and a description of the independent expenditure which specifies whether the independent expenditure was made to support or oppose the candidate involved. The Summary Page is not completed.
- An Independent Expenditure must also be disclosed on the committee's next required Campaign Statement.
- If the committee raised **\$10,000.00 or less** during the previous two years, a \$25.00 late filing fee will be assessed each business day the report remains unfiled up to \$500.00.
- If the committee raised **more than \$10,000.00** during the previous two years, the maximum fee which may be assessed is increased to \$1,000.00.

Identification Requirements

All PAC's, Ballot Question Committees and Political Party Committees are required to add the statement "**paid for with regulated funds**" to the identification or disclaimer included on printed matter or in paid radio or television advertisements. The use of the phrase, "Paid for with regulated funds by (name and address of committee)" is recommended.

MERTS Plus Software For Independent and Political Committees

The following reminders are offered for Independent and Political Committees using MERTS Plus software to electronically file Campaign Statements. **Questions concerning 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.**

- **Election Cycles** – Make sure the correct election cycle(s) are entered into the Election Cycles Window. The election cycle for a candidate participating in November 3rd election ends on November 3, 2009. For expenditures made after the November 3, 2009 general election to support or oppose candidates or issues, a new election cycle will need to be created for each candidate or ballot issue (Section 1.4 of the MERTS Plus Training Manual). The election cycle begins on the day after the last general election and ends on the day of the next general election.

- **Campaigns** – Make sure up to date campaign(s) are created in the Campaigns Window for each candidate or issue supported or opposed by the committee. For expenditures made after the November 3, 2009 general election to support or oppose candidates or issues, a new campaign will need to be created for each candidate or ballot issue (Section 1.5 of the MERTS Plus Training Manual).
- **Reporting Periods** – A separate report record (with correct coverage period dates) must be created in the Reports Window for each Campaign Statement that will be submitted by the committee electronically (Section 1.6 of the MERTS Plus Training Manual).
- **Amendments to Campaign Statements** – An amended Campaign Statement cannot be filed electronically until an original Campaign Statement has been filed electronically. If more than one amendment to a Statement has been created, each amendment must be electronically submitted in the order it was created.

Obtaining the MERTS Plus Software

State level committees wishing to obtain the MERTS Plus software may apply on-line at the MERTS Plus web site (www.mertsplus.com). Both on-site and on-line software training options are available. Access to the software is provided to committees that have completed the training session and submitted an original or amended Statement of Organization requesting the MERTS Plus software.

Questions?

If you have any questions, please do not hesitate to contact this office.

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