AN ACT to amend the title and sections 6, 8, 24, 26, 28, 29, 41, 42, 52, 54, and 55 of Act No. 388 of the Public Acts of 1976, entitled "An act to regulate political activity; to regulate campaign financing; to restrict campaign contributions and expenditures; to require campaign statements and reports; to regulate anonymous contributions; to regulate campaign advertising and literature; to provide for segregated funds for political purposes; to provide for the use of public funds for political purposes; to create a state campaign fund; to provide for reversion of, or refunding of, unexpended balances; to require reports; to provide appropriations; to prescribe penalties; and to repeal certain acts and parts of acts," sections 6, 8, 24, 26, 29, 42, 52, and 54 as amended by Act No. 95 of the Public Acts of 1989, being sections 169.206, 169.208, 169.224, 169.226, 169.228, 169.229, 169.241, 169.242, 169.252, 169.254, and 169.255 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Title and sections amended; Michigan campaign finance act.

Section 1. The title and sections 6, 8, 24, 26, 28, 29, 41, 42, 52, 54, and 55 of Act No. 388 of the Public Acts of 1976, sections 6, 8, 24, 26, 29, 42, 52, and 54 as amended by Act No. 95 of the Public Acts of 1989, being sections 169.206, 169.208, 169.224, 169.226, 169.228, 169.229, 169.241, 169.242, 169.252, 169.254, and 169.255 of the Michigan Compiled Laws, are amended to read as follows:

TITLE

An act to regulate political activity; to regulate campaign financing; to restrict campaign contributions and expenditures; to require campaign statements and reports; to regulate anonymous contributions; to regulate campaign advertising and literature; to provide for segregated funds for political purposes; to provide for the use of public funds for political purposes; to create certain funds; to provide for reversion, retention, or refunding of unexpended balances in certain funds; to require other statements and reports; to regulate acceptance of certain gifts, payments, and reimbursements; to prescribe the powers and duties of certain state departments and state and local officials and employees; to provide appropriations; to prescribe penalties and provide remedies; and to repeal certain acts and parts of acts.

169.206 Definitions; E.  [M.S.A. 4.1703(6)]

Sec. 6. (1) "Expenditure" means a payment, donation, loan, or promise of payment of money or anything of ascertainable monetary value for goods, materials, services, or facilities in assistance of, or in opposition to, the nomination or election of a candidate, or the qualification, passage, or defeat of a ballot question.

(2) Expenditure includes a contribution or a transfer of anything of ascertainable monetary value for purposes of influencing the nomination or election of a candidate or the qualification, passage, or defeat of a ballot question.

(3) Expenditure does not include any of the following:

(a) An expenditure for communication by a person with the person's paid members or shareholders and those individuals who can be solicited for contributions to a separate segregated fund under section 55.
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(b) An expenditure for communication on a subject or issue if the communication does not support or oppose a ballot question or candidate by name or clear inference.

(c) An expenditure for the establishment, administration, or solicitation of contributions to a separate segregated fund or independent committee.

(d) An expenditure by a broadcasting station, newspaper, magazine, or other periodical or publication for a news story, commentary, or editorial in support of or opposition to a candidate for elective office or a ballot question in the regular course of publication or broadcasting.

(e) An offer or tender of an expenditure if expressly and unconditionally rejected or returned.

(f) An expenditure for nonpartisan voter registration or nonpartisan get-out-the-vote activities. This exclusion does not apply if a candidate or group of candidates sponsors or finances the activity or is identified by name with the activity. This exclusion does apply to an activity performed pursuant to sections 491 to 524 of the Michigan election law, Act No. 116 of the Public Acts of 1954, as amended, being sections 168.491 to 168.524 of the Michigan Compiled Laws, by the secretary of state and other registration officials who are identified by name with the activity. This exclusion does apply to a candidate who is an elected officeholder and whose office is not on the ballot for the general election in the calendar year in which the expenditure is made or who is not a candidate within the meaning of sections 3(1)(a) and 3(1)(b) and who is identified by name with the activity.

169.208 Definitions; I. [M.S.A. 4.1703(8)]

Sec. 8. (1) “Immediate family” means any child residing in a candidate's household, the candidate's spouse, or any individual claimed by that candidate or that candidate's spouse as a dependent for federal income tax purposes.

(2) “Independent committee” means a committee, other than a political party committee, which before contributing to a candidate committee of a candidate for state elective office under section 52(3) or 69(2) files a statement of organization as an independent committee at least 6 months before an election for which it expects to accept contributions or make expenditures in support of or in opposition to a candidate for nomination to or election to a state elective office; and receives contributions from at least 25 persons and makes expenditures not to exceed the limitations of section 52(1) in support of or in opposition to 3 or more candidates for nomination for or election to a state elective office in the same calendar year.

169.224 Statement of organization; time for filing; late filing fee; violation as misdemeanor; contents of statement; name of sponsor; amendment; statement as to receipts or expenditures; filing statement indicating dissolution of committee; exception. [M.S.A. 4.1703(24)]

Sec. 24. (1) A committee shall file a statement of organization with the filing officials designated in section 36 to receive the committee’s campaign statements. A statement of organization shall be filed within 10 days after a committee is formed. A filing official shall maintain a statement of organization filed by a committee until 5 years after the official date of the committee's dissolution. A person who fails to file a statement of organization required by this subsection shall pay a late filing fee of $10.00 for each business day the statement remains not filed in violation of this subsection. The late filing fee shall not exceed $300.00. A person who violates this subsection by failing to file for more than 30
days after a statement of organization is required to be filed is guilty of a misdemeanor
punishable by a fine of not more than $1,000.00.

(2) The statement of organization required by subsection (1) shall include the following
information:

(a) The name, street address, and if available, the telephone number of the committee.
A committee address may be the home address of the candidate or treasurer of the
committee.

(b) The name, street address, and if available, the telephone number of the treasurer
or other individual designated as responsible for the committee's record keeping, report
preparation, or report filing.

(c) The name and address of the financial institution in which the official committee
depository is or is intended to be located, and the name and address of each financial
institution in which a secondary depository is or is intended to be located.

(d) The full name of the office being sought by, including district number or
jurisdiction, and the county residence of each candidate supported or opposed by the
committee.

(e) A brief statement identifying the substance of each ballot question supported or
opposed by the committee. If the ballot question supported or opposed by the committee
is not statewide, the committee shall identify the county in which the greatest number of
registered voters eligible to vote on the ballot question reside.

(f) Identification of the committee as a candidate committee, political party committee,
independent committee, political committee, or ballot question committee if it is
identifiable as such a committee.

(3) An independent committee or political committee shall include in the name of the
committee the name of the person or persons that sponsor the committee, if any, or with
whom the committee is affiliated. A person, other than an individual or a committee,
sponsors or is affiliated with an independent committee or political committee if that
person establishes, directs, controls, or financially supports the administration of the
committee. For the purposes of this subsection, a person does not financially support the
administration of a committee by merely making a contribution to the committee.

(4) If any of the information required in a statement of organization is changed, the
committee shall file an amendment when the next campaign statement is required to be
filed. An independent committee or political committee whose name does not include the
name of the person or persons that sponsor the committee or with whom the committee
is affiliated as required by subsection (3) shall file an amendment to the committee's
statement of organization not later than the date the next campaign statement is required
to be filed after the effective date of the amendatory act that added this sentence.

(5) When filing a statement of organization, a committee, other than an independent
committee, a political committee, or a political party committee, may indicate in a written
statement signed by the treasurer of the committee that the committee does not expect
for each election to receive an amount in excess of $1,000.00 or expend an amount in
excess of $1,000.00.

(6) When filing a statement of organization, an independent committee, a political
committee, or a political party committee may indicate in a written statement signed by
the treasurer of the committee that the committee does not expect in a calendar year to
receive or expend an amount in excess of $1,000.00.

(7) Upon the dissolution of a committee, the committee shall file a statement indicating
dissolution with the filing officials with whom the committee's statement of organization
was filed. Dissolution of a committee shall be accomplished pursuant to rules promulgated by the secretary of state under the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws.

(8) A candidate committee that files a written statement pursuant to subsection (5) shall not be required to file a dissolution statement pursuant to subsection (7) if the committee failed to receive or expend an amount in excess of $1,000.00 and 1 of the following applies:

(a) The candidate was defeated in an election and has no outstanding campaign debts or assets.

(b) The candidate vacates an elective office and has no outstanding campaign debts or assets.

169.226 Campaign statement of committee other than political party committee; contents; report. [M.S.A. 4.1703(26)]

Sec. 26. (1) A campaign statement of a committee, other than a political party committee, required by this act shall contain all of the following information:

(a) The filing committee's name, address, and telephone number, and the full name, residential and business addresses, and telephone numbers of the committee treasurer or other individual designated as responsible for the committee's record keeping, report preparation, or report filing.

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

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

(d) The total amount of contributions received during the period covered by the campaign statement from persons who contributed more than $20.00.

(e) The total amount of contributions received during the period covered by the campaign statement from persons who contributed $20.00 or less.

(f) The total amount of contributions of $20.00 or less received during the period covered by the campaign statement and the cumulative amount of the contributions received by the filer pursuant to section 41(3).

(g) The following information regarding each fund-raising event shall be included in the report:

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

(ii) The total amount of all contributions of more than $20.00.

(iii) The total amount of all contributions of $20.00 or less.
(iv) The gross receipts of the fund-raising event.

(v) The expenditures incident to the event.

(h) The full name of each individual from whom contributions totaling more than $20.00 are received during the period covered by the campaign statement, together with the individual's street address, the amount contributed, the date on which each contribution was received, and the cumulative amount contributed by that individual. The occupation, employer, and principal place of business shall be stated if the individual's cumulative contributions are more than $100.00.

(i) The cumulative amount contributed and the name and address of each individual, except those individuals reported under subdivision (h), who contributed a total of more than $20.00. The occupation, employer, and principal place of business, shall be stated for each individual who contributed more than $100.00.

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

(k) The name, address, and amount given by an individual who contributed more than $20.00 to the total amount contributed by a person who is other than a committee or an individual. The occupation, employer, and principal place of business shall be stated if the individual contributed more than $100.00 of the total amount contributed by a person who is other than a committee or an individual.

(l) The cumulative total of expenditures of $50.00 or less made during the period covered by the campaign statement except for expenditures made to or on behalf of another committee, candidate, or ballot question.

(m) The full name and street address of each person to whom expenditures totaling more than $50.00 were made, together with the amount of each separate expenditure to each person during the period covered by the campaign statement; the purpose of the expenditure; the full name and street address of the person providing the consideration for which any expenditure was made if different from the payee; the itemization regardless of amount of each expenditure made to or on behalf of another committee, candidate, or ballot question; and the cumulative amount of expenditures for or against that candidate or ballot question for an election cycle. An expenditure made in support of more than 1 candidate or ballot question, or both, shall be apportioned reasonably among the candidates or ballot questions, or both.

(2) A candidate committee or ballot question committee shall report all cumulative amounts required by this section on a per election cycle basis. Except for subsection (1)(m), an independent committee or political committee shall report all cumulative amounts required by this section on a calendar year basis.
the loan, the date and amount of each payment, the amount of cumulative payments, the amount of the outstanding balance, and whether the loan payments were made by money, services, property, or other means. The committee shall provide the name and address of the lender and each person who is liable directly, indirectly, or contingently on each loan of more than $20.00. The committee shall provide the occupation and employer, if any, of the lender and each person if the loan is for more than $100.00. If a loan is paid off within a reporting period, this activity need not be reported on a separate schedule to the campaign statement. However, if a loan is forgiven, the committee shall detail that fact on a separate schedule to the campaign statement.

(3) Accompanying a campaign statement reporting the receipt of a contribution of more than $20.00, from a person whose treasurer does not reside in, whose principal office is not located in, or whose funds are not kept in this state, shall be a statement certified as true and correct by an officer of the contributing person setting forth the full name, address, along with the amount contributed, of each person who contributed more than $20.00 of the contribution. The occupation, employer, and principal place of business shall be stated for each person who contributed more than $100.00. This subsection does not apply if the contributing person is registered as a committee under section 24.

169.229 Campaign statement filed by political party committee; contents; identification of expenditure; designation of contribution to candidate committee or ballot question committee; designation of independent expenditure; apportionment of expenditure. [M.S.A. 4.1703(29)]

Sec. 29. (1) A campaign statement filed by a political party committee shall contain all of the following information:

(a) The full name of each person from whom contributions totaling more than $20.00 in value are received in a calendar year, the amount, and the date or dates contributed; and, if the person is a committee, the name and address of the committee and the full name of the committee treasurer, together with the amount of the contribution and the date received. The occupation, employer, and principal place of business, if any, shall be listed for each person from whom contributions totaling more than $100.00 are received in a calendar year.

(b) Accompanying a campaign statement reporting the receipt of a contribution of more than $20.00 from a committee or person whose treasurer does not reside in, whose principal office is not located in, or whose funds are not kept in this state, and whose committee has not filed a statement of organization as required in section 24, shall be a statement setting forth the full name and address of the treasurer of the committee.

(c) An itemized list of all expenditures, including in-kind contributions and expenditures and loans, made during the period covered by the campaign statement that were contributions to a candidate committee of a candidate for elective office or a ballot question committee; or independent expenditures in support of the qualification, passage, or defeat of a ballot question or in support of the nomination or election of a candidate for elective office or the defeat of any of the candidate's opponents.

(d) The total expenditure by the committee for each candidate for elective office or ballot question in whose behalf an independent expenditure was made or a contribution was given for the election cycle.

(e) The filer's name, address, and telephone number, if available, if any, and the full name, address, and telephone number, if available, of the committee treasurer.
(2) The committee shall identify an expenditure listed under subsection (1)(c) as an independent expenditure or as a contribution to a candidate committee or a ballot question committee.

(3) The committee shall designate for a contribution to or on behalf of a candidate committee or ballot question committee listed under subsection (1)(c) the name and address of the committee, the name of the candidate and the office sought, if any, the amount contributed, and the date of contribution.

(4) The committee shall designate for an independent expenditure listed under subsection (1)(c) either the name of the candidate for whose benefit the expenditure was made and the office sought by the candidate, or a brief description of the ballot question for which the expenditure was made; the amount, date, and purpose of the expenditure; and the full name and address of the person to whom the expenditure was made.

(5) The committee shall apportion an expenditure listed that was made in support of more than 1 candidate or ballot question, or both, reasonably among the candidates or ballot questions, or both.

169.241 Single contribution of $20.00 or expenditure of $50.00; written instrument; anonymous contribution; aggregate contribution of $20.00 or less or more than $20.00; contribution in name of another; violations; penalties. [M.S.A. 4.1703(41)]

Sec. 41. (1) A person shall not make or accept a single contribution of more than $20.00 in cash or make or accept a single expenditure of more than $50.00 in cash. Contributions of more than $20.00 and expenditures of more than $50.00, other than an in-kind contribution or expenditure, shall be made by written instrument containing the names of the payor and the payee.

(2) A person shall not accept or expend an anonymous contribution. An anonymous contribution received by a person shall not be deposited but shall be given to a tax exempt charitable organization. The charitable organization receiving the contribution shall provide the person with a receipt. The receipt shall be returned by an appropriate committee pursuant to section 22.

(3) A contribution received as the result of a fund-raising event or casual services or from the sale of political merchandise that is $20.00 or less in the aggregate from a person in any calendar year is not considered an anonymous contribution. A contribution received from membership fees, dues, or subscriptions for political purposes to an independent committee or a political party committee that is $20.00 or less in the aggregate from a person in any calendar year is not considered an anonymous contribution.

(4) A person making a contribution pursuant to subsection (3) that is more than $20.00 in any calendar year when added to all other contributions made to that committee by that person shall furnish the recipient with the donor's name, address, and the total amount contributed.

(5) A contribution shall not be made, directly or indirectly, by any person in a name other than the name by which that person is identified for legal purposes.

(6) A person who knowingly violates this section is guilty of a misdemeanor punishable, if the person is an individual, by a fine of not more than $1,000.00 or imprisonment for not more than 90 days, or both, or, if the person is other than an individual, by a fine of not more than $10,000.00.
169.242 Acceptance of contribution by intermediary or agent; disclosure; requirements as to certain contributions of more than $20.00; requirements as to contribution of more than $100.00; requirements as to contribution from person other than committee; violations; penalties. [M.S.A. 4.1703(42)]

Sec. 42. (1) A person who accepts a contribution, other than by written instrument, on behalf of another and acts as the intermediary or agent of the person from whom the contribution was accepted shall disclose to the recipient of the contribution the intermediary's own name and address and the name and address of the actual source of the contribution.

(2) A contribution of more than $20.00, from a person whose treasurer does not reside in, whose principal office is not located in, or whose funds are not kept in this state, shall not be accepted by a person for purposes of supporting or opposing candidates for elective office or the qualification, passage, or defeat of a ballot question unless accompanied by a statement certified as true and correct by an officer of the contributing person setting forth the full name and address along with the amount contributed, of each person who contributed more than $20.00 of the contribution. The occupation, employer, and principal place of business shall be listed for each person who contributed more than $100.00 to the total amount of the contribution. The certified statement shall also state that the contribution was not made from an account containing funds prohibited by section 54. This subsection does not apply if the contributing person is registered as a committee under section 24.

(3) A person shall not receive a contribution from a person other than a committee unless for purposes of the recipient person's record keeping and reporting requirements, the contribution is accompanied by the name and address of each person who contributed more than $20.00 to the contribution, and the name, address, occupation, employer, and principal place of business of each person who contributed more than $100.00 to the total amount of the contribution.

(4) A person who knowingly violates this section is guilty of a misdemeanor punishable, if the person is an individual, by a fine of not more than $1,000.00, or imprisonment for not more than 90 days, or both, or, if the person is other than an individual, by a fine of not more than $10,000.00.

169.252 Limitations on contributions; definition; exemption of contribution from candidate's immediate family; contribution for particular election cycle; violation as misdemeanor; penalty; contributions made by political or independent committees established by corporation, joint stock company, or labor organization. [M.S.A. 4.1703(52)]

Sec. 52. (1) Except as provided in subsection (7), a person other than an independent committee or a political party committee shall not make contributions to a candidate committee of a candidate for state elective office that, with respect to an election cycle, are more than the following:

(a) $3,400.00 for a candidate for state elective office other than the office of state legislator.

(b) $1,000.00 for a candidate for state senator.

(c) $500.00 for a candidate for state representative.
(2) For the purpose of subsection (1), "with respect to an election cycle" means 1 of the following:

(a) 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 next general election in which the office next appears on the ballot.

(b) For a special election, the period beginning the day a special general election is scheduled or the date the office becomes vacant, whichever is earlier, and ending on the day of the special general election.

(3) An independent committee shall not make contributions to a candidate committee of a candidate for state elective office that, in the aggregate for that election cycle, are more than 10 times the amount permitted a person other than an independent committee or political party committee in subsection (1).

(4) A political party committee other than a state central committee shall not make contributions to the candidate committee of a candidate for state elective office that are more than 10 times the amount permitted a person other than an independent committee or political party committee in subsection (1).

(5) A state central committee of a political party shall not make contributions to the candidate committee of a candidate for state elective office other than a candidate for the legislature that are more than 20 times the amount permitted a person other than an independent committee or political party committee in subsection (1). A state central committee of a political party shall not make contributions to the candidate committee of a candidate for state senator or state representative that are more than 10 times the amount permitted a person other than an independent committee or political party committee in subsection (1).

(6) A contribution from a member of a candidate's immediate family to the candidate committee of that candidate is exempt from the limitations of subsection (1).

(7) Consistent with the provisions of this section, a contribution designated in writing for a particular election cycle shall be considered made for that election cycle. A contribution made after the close of a particular election cycle and designated in writing for that election cycle shall be made only to the extent that the contribution does not exceed the candidate committee's net outstanding debts and obligations from the election cycle so designated. If a contribution is not designated in writing for a particular election cycle, the contribution shall be considered made for the election cycle that corresponds to the date of the written instrument.

(8) A candidate committee, a candidate, or a treasurer or agent of a candidate committee shall not accept a contribution with respect to an election cycle that exceeds the limitations in subsection (1), (3), (4), or (5).

(9) For the purposes of this act, a contribution made or received before June 21, 1989 is considered to be made with respect to an election cycle.

(10) A person who knowingly violates this section is guilty of a misdemeanor punishable, if the person is an individual, by a fine of not more than $1,000.00 or imprisonment for not more than 90 days, or both, or, if the person is not an individual, by a fine of not more than $10,000.00.

(11) For purposes of the limitations provided in subsections (1) and (3), all contributions made by political committees or independent committees established by any corporation, joint stock company, or labor organization, including any parent, subsidiary, branch, division, department, or local unit thereof, shall be considered to have been made
by a single independent committee. By way of illustration and not limitation, all of the following apply as a result of the application of this requirement:

(a) All of the political committees and independent committees established by a for profit corporation or joint stock company, by a subsidiary of the for profit corporation or joint stock company, or by any combination thereof, are treated as a single independent committee.

(b) All of the political committees and independent committees established by a single national or international labor organization, by a labor organization of that national or international labor organization, by a local labor organization of that national or international labor organization, or by any other subordinate organization of that national or international labor organization, or by any combination thereof, are treated as a single independent committee.

(c) All of the political committees and independent committees established by an organization of national or international unions, by a state central body of that organization, by a local central body of that organization, or by any combination thereof, are treated as a single independent committee.

(d) All of the political committees and independent committees established by a nonprofit corporation, by a related state entity of that nonprofit corporation, by a related local entity of that nonprofit corporation, or by any combination thereof, are treated as a single independent committee.

169.254 Contributions, expenditures, or volunteer personal services by corporation, joint stock company, or labor organization, or by persons acting for corporation, joint stock company, or labor organization; independent expenditures as to ballot questions; violation; penalty. [M.S.A. 4.1703(54)]

Sec. 54. (1) Except with respect to the exceptions and conditions in subsections (2) and (3) and section 55, and to loans made in the ordinary course of business, a corporation, joint stock company, or labor organization shall not make a contribution or expenditure or provide volunteer personal services that are excluded from the definition of a contribution pursuant to section 4(3)(a).

(2) An officer, director, stockholder, attorney, agent, or any other person acting for a labor organization or a corporation or joint stock company, or whether incorporated under the laws of this or any other state or foreign country, except corporations formed for political purposes, shall not make a contribution or expenditure or provide volunteer personal services that are excluded from the definition of a contribution pursuant to section 4(3)(a).

(3) A corporation, joint stock company, or labor organization may make a contribution to a ballot question committee subject to this act. A corporation, joint stock company, or labor organization may make an independent expenditure in any amount for the qualification, passage, or defeat of a ballot question. A corporation, joint stock company, or labor organization that makes an independent expenditure under this subsection is considered a ballot question committee for the purposes of this act.

(4) A person who knowingly violates this section is guilty of a felony punishable, if the person is an individual, by a fine of not more than $5,000.00 or imprisonment for not more than 3 years, or both, or, if the person is not an individual, by a fine of not more than $10,000.00.
169.255 Segregated fund for political purposes; establishment by corporation, joint stock company, or labor organization; limitations; solicitation of contributions; prohibited practices; violation; penalty. [M.S.A. 4.1703(55)]

Sec. 55. (1) A corporation organized on a for profit or nonprofit basis, a joint stock company, or a labor organization formed under the laws of this or another state or foreign country may make an expenditure for the establishment and administration and solicitation of contributions to a separate segregated fund to be used for political purposes. A separate segregated fund established under this section shall be limited to making contributions to, and expenditures on behalf of, candidate committees, ballot question committees, political party committees, political party committees, and independent committees.

(2) Contributions for a separate segregated fund established by a corporation, organized on a for profit basis, or a joint stock company under this section may be solicited from any of the following persons or their spouses:

(a) Stockholders of the corporation or company.

(b) Officers and directors of the corporation or company.

(c) Employees of the corporation or company who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

(3) Contributions for a separate segregated fund established under this section by a corporation organized on a nonprofit basis may be solicited from any of the following persons or their spouses:

(a) Members of the corporation who are individuals.

(b) Stockholders of members of the corporation.

(c) Officers or directors of members of the corporation.

(d) Employees of the members of the corporation who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

(e) Employees of the corporation who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

(4) Contributions for a separate segregated fund established under this section by a labor organization may be solicited from any of the following persons or their spouses:

(a) Members of the labor organization who are individuals.

(b) Officers or directors of the labor organization.

(c) Employees of the labor organization who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

(5) Contributions shall not be obtained for a separate segregated fund established under this section by use of coercion, physical force, or as a condition of employment or membership or by using or threatening to use job discrimination or financial reprisals. A corporation organized on a for profit or nonprofit basis, a joint stock company, or a labor organization shall not solicit or obtain contributions for a separate segregated fund established under this section from an individual described in subsection (2), (3), or (4) on an automatic or passive basis including but not limited to a payroll deduction plan or reverse checkoff method. A corporation organized on a for profit or nonprofit basis, a joint stock company, or a labor organization may solicit or obtain contributions for a separate segregated fund established under this section from an individual described in subsection (2), (3), or (4) on an automatic basis, including but not limited to a payroll deduction plan,
only if the individual who is contributing to the fund affirmatively consents to the contribution at least once in every calendar year.

(6) A person who knowingly violates this section is guilty of a felony punishable, if the person is an individual, by a fine of not more than $5,000.00 or imprisonment for not more than 3 years, or both, or, if the person is not an individual, by a fine of not more than $10,000.00.

**Severability of amendatory act.**

Section 2. If any portion of this amendatory act or the application of any portion of this amendatory act to any person or circumstance is found to be invalid by a court, the invalidity shall not affect the remaining portions or applications of this amendatory act that can be given effect without the invalid portions or application, if the remaining portions are not determined by the court to be inoperable, and to this end this amendatory act is declared to be severable.

**Effective date.**

Section 3. This amendatory act shall take effect April 1, 1995.

Filed with Secretary of State May 11, 1994.


[No. 118]

(SB 3)

AN ACT to amend sections 3 and 7a of Act No. 382 of the Public Acts of 1972, entitled as amended “An act to license and regulate the conducting of bingo and certain other forms of gambling; to provide for the conducting of charity games; to impose certain duties and authority upon certain state departments, agencies, and officers; to provide a tax exemption; and to provide penalties,” section 3 as amended and section 7a as added by Act No. 229 of the Public Acts of 1981, being sections 432.103 and 432.107a of the Michigan Compiled Laws.

*The People of the State of Michigan enact:*

**Sections amended; Traxler-McCauley-Law-Bowman bingo act.**

Section 1. Sections 3 and 7a of Act No. 382 of the Public Acts of 1972, section 3 as amended and section 7a as added by Act No. 229 of the Public Acts of 1981, being sections 432.103 and 432.107a of the Michigan Compiled Laws, are amended to read as follows:

432.103 Additional definitions. [M.S.A. 18.989(103)]

Sec. 3. (1) “Educational organization” means an organization within this state that is organized not for pecuniary profit, whose primary purpose is educational in nature and designed to develop the capabilities of individuals by instruction in any public or private elementary or secondary school that complies with the school code of 1976, Act No. 451 of the Public Acts of 1976, as amended, being sections 380.1 to 380.1852 of the Michigan Compiled Laws, or any private or public college or university that is organized not for pecuniary profit and that is approved by the state board of education.