DISSOLUTION OF A COMMITTEE
Appendix W

The Michigan Campaign Finance Act (MCFA) specifies when and under what conditions a committee may be dissolved. A dissolved committee has no further filing obligations under the MCFA. All committees are encouraged to request dissolution when activity in the committee ends. A committee that has not been dissolved and does not have a Reporting Waiver must continue to file campaign statements as required by the MCFA.

A Committee is Eligible for Dissolution When:

- The incumbent officeholder vacates office or is constitutionally or legally barred from seeking reelection, *
- The committee has disclosed the disbursement of all unexpended funds and assets,
- The committee has disclosed the payment or forgiveness of all debts,
- The committee has paid all late filing fees in full,
- The committee has filed all outstanding campaign statements, and
- The committee has answered all outstanding Notice(s) of Error or Omission.

(*) An officeholder cannot dissolve his or her Candidate Committee until his or her term of office expires. An exception to this provision exists for officeholders who are not qualified to seek reelection.

Requesting Dissolution: Committees that have maintained a Reporting Waiver may request dissolution with their filing official by filing a Single-Page Dissolution Statement.

On the Statement, the signers verify that the committee:

1.) Obtained and maintained the Reporting Waiver;
2.) Has no outstanding late filing fees or other debts;
3.) Has no remaining assets.

Committees that have not maintained a Reporting Waiver may request dissolution with their filing official by filing either a:

1.) Dissolution Campaign Statement, or
2.) Another required campaign statement that includes a dissolution date of the committee on the cover page.

Committees that are required to file campaign statements electronically must file their dissolution request campaign statement electronically. The committee must dissolve on or before the closing date of the campaign statement. A Dissolution Campaign Statement must open on the day after the closing date of the last campaign statement filed by the committee and close on the date of the committee's dissolution.

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Granting or Denying the Dissolution Request: The filing official will review each dissolution request and determine if the committee is eligible to dissolve based on the criteria listed above. The committee will be notified whether their dissolution request was granted or if it was denied. If a dissolution request is denied and the committee qualifies for a Reporting Waiver, the filing official will automatically update the committee records to avoid the accrual of any additional fees or filing requirements while the committee works on completing the dissolution process.

Automatic Dissolution of Candidate Committees: The filing official may automatically dissolve a Candidate Committee with a Reporting Waiver when an officeholder vacates office or an individual is defeated in the election, providing the committee meets all of the requirements to dissolve. A committee that qualifies for automatic dissolution will not be dissolved if the candidate expresses a desire, in writing, to keep the committee active.

Disposition of Unexpended Funds: Unexpended funds of a Candidate Committee that are not eligible for transfer to another Candidate Committee of the same candidate must be disbursed in the following ways in accordance with Section 45 of the MCFA.

a. Given to a Political Party Committee (state central, congressional district or county).
b. Given to a tax-exempt charitable organization as long as the candidate does not become an officer or director of or receive compensation, either directly or indirectly, from that organization. *
c. Returned to contributors of the funds; including the candidate as a contributor. The returned amount cannot exceed the amount originally contributed by the person.
d. Given to a House Political Party Caucus Committee if the person was a candidate for the office of State Representative. (Contribution limits to Caucus Committees apply).
e. Given to a Senate Political Party Caucus Committee if the person was a candidate for the office of State Senator. (Contribution limits to Caucus Committees apply).
f. Given to an Independent Committee.
g. Given to a Ballot Question Committee.

(*) A Candidate Committee that chooses to donate any of its remaining assets to a tax-exempt charity must provide verification of the disposition of the funds to their filing official. This verification can be in the form of a receipt or letter of acknowledgement on the charity's letterhead.

Independent, Political, IEC/Super PAC, Ballot Question and Political Party Committees may dispose of unexpended, or leftover, funds in any legal manner.