

THE "CANDIDATE" ISSUE

For 2006 Campaigns

Campaign Finance Information

for Congressional Candidates
by Leonard Schwartz

Unless contributions or expenditures are great than \$5000, you are not required to file any forms with the Federal Election Commission.

If you expect that contributions or expenditures will be greater than \$5000, you should call the Federal Election Commission, 1-800-424-9530. Say that you are a candidate for Congress and want a candidate information package.

Even if contributions and expenditures are less than \$5000, you are still required to obey federal campaign finance laws. The penalty for violating federal campaign finance laws can be one year in jail and a \$25,000 fine.

Here are some important rules:

You must form a candidate committee if you accept any contributions (even \$1) or if you spend more than \$5000 (even if all expenditures are paid out of your own pocket). Give it a name like "Committee to Elect [your name]" or "Citizens for [your name]" or "[your name] for Congress." The committee's name must include your last name. You can be the treasurer of your own committee.

If you accept any contributions, your committee must open a checking account. You must keep a record of the name and address of each person who contributes more than \$50. If someone contributes more than \$200, you should also get the person's occupation and employer. You can accept anonymous contributions of \$50, but you must keep a record of when they were received.

You cannot accept more than \$100 in cash from any person. You cannot accept any contributions from corporations and labor unions; but you can accept contributions from their political committees.

You must keep a record of all campaign expenditures, even if you paid them out of your own pocket. Your committee must

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The Candidate Issue

by Andrew Wrenbeck

It is hard to forget that this is a major election year. With all of the new election laws, and to offer help to LPM candidates in 2006, the *Michigan Libertarian* has assembled this special edition.

We have put together some articles to help Libertarians in Michigan conform to election laws, run a smoother campaign, and get more votes.

In an effort to maximize the party's results this year, it makes good sense to specifically address items that concern candidates running active, nominal or even paper campaigns.

Articles by the LPM's experts and guest writers have been put together in this abbreviated edition. They will address issues associated with being a candidate.

Because the addition is specific in topic, and smaller in size, we may not have had room to print all submissions. Not to worry, the *Michigan Libertarian* will be back on schedule with a regular issue in late April / early May. Articles submitted for this issue may be printed in the #3 issue.

Campaign Finance Information

for Candidates for State or Local Office
by Leonard Schwartz

The penalty for violating Michigan's campaign finance laws can be one year in jail and a \$20,000 fine.

To get campaign finance information and forms, contact: Bureau of Elections; 430 W. Allegan; Lansing MI 48918; 517-373-2540.

Ask the Bureau to send you: "Candidate Committee Manual" and "Candidate Committee Campaign Statement Instructions and Forms."

You can also find these booklets at www.michigan.gov/sos. Make copies of the blank forms, fill in the copies, and make copies of the completed forms.

Highlights from Candidate Committee Manual.

1. Candidate Committee

You become a candidate under the Campaign Finance Act as soon as you:

- (a) file a nominating petition or a filing fee, or
- (b) receive a contribution or make an expenditure, or
- (c) are nominated by a political party caucus or convention.

Within 10 days of becoming a candidate, you must form a candidate committee (even if you don't plan to solicit contributions or spend any of your own money).

You can be the treasurer of your own committee (unless you are running for a judgeship).

Give it a name like "Friends of [your name]" or "Citizens for [your name]." The committee's name must include your first and last names. another 10 days, you must file two copies of "Statement of Organization for Candidate Committees."

2. Contributions

If you accept any contributions, even \$1, your committee must open an account at a bank or credit union. All contributions must be deposited in the

Continued on Page 3



The "Top Five" Printing Don'ts

by Greg Newton

If your campaign is creating tri-fold brochures, post cards, bumper stickers and/or yard signs, then here are a few common mistakes that are easy to avoid:

1) Don't print if you can make copies instead. Consider standard black copies on colored paper instead of printing in one or two ink colors. Use gray scales and reverse type to get the most from your monochrome output and save your cash.

2) Don't overwhelm your audience. Covering every inch of your flyer with 8 point, single spaced type is intimidating to the average reader. The majority of these hand outs go straight in the round file! Make your message approachable and easy to read by using bullet points, larger type, clip art and white space.

3) Don't use envelopes for direct mail. It's a waste of money. Ask your designer to create a mailer that doesn't require an envelope.

4) Don't print it twice. Nothing eats up a budget faster than reprinting. Make sure you always have more than one person proof everything you print!

5) Don't rush. Running out of critical campaign literature will always happen at the worst possible time. Rush orders can be expensive and stressful. Stay on top of your inventory.

Greg Newton is the owner of OfficeStar, a printing, mailing and office products company in Westland, MI. Greg can be reached at greg@OfficeStar247.com or 866-845-STAR.

How to Become a Candidate

by Leonard Schwartz

A. Selection of Candidates

Candidates for the following offices will be selected by LPM members at the LPM convention on Saturday, May 13:

- Governor
- Lieutenant Governor
- Secretary of State
- Attorney General
- United States Senator
- Member of State Board of Education (2)
- Regent of University of Michigan (2)
- Trustee of Michigan State University (2)
- Governor of Wayne State University (2)
- Justice of Supreme Court (2)

Candidates for Representative in Congress, State Senator, and State Representative whose districts are in more than one county also will be selected at the LPM convention.

Candidates for Representative in Congress, State Senator, and State Representative whose districts are entirely within one county will be selected at county caucuses held at or before the LPM convention. Candidates for county and township offices likewise will be selected at county caucuses held at or before the LPM convention. Candidates cannot be selected after the LPM convention.

If you can't attend the LPM convention, but want to be nominated:

- (1) complete your candidate paperwork beforehand and
- (2) ask someone to take your paperwork to the convention and nominate you.

Some townships have a nonpartisan library board. If you want to be a candidate, ask your township clerk for the procedure.

B. LPM Membership

The LPM Bylaws don't explicitly require that a candidate be an LPM member. But selecting a nonmember is unwise.

1. If a person doesn't support LPM, why should LPM support him?
2. Some persons claim that they can't afford LPM dues. But if a person can't even find someone who will make a campaign contribution to pay his dues, that person will be merely a nominal candidate.
3. By joining LPM a person indicates that he supports libertarian principles and opposes the initiation of force to achieve social or political goals. A candidate who refuses to join LPM is more likely to do something that will embarrass LPM.
4. Once a person's candidate paperwork is filed, LPM cannot remove that candidate from the ballot. If a candidate does something that embarrasses LPM, the only thing LPM can do is censure that candidate. Even if the news media reports that LPM censured the candidate, his unlibertarian conduct will still embarrass LPM. It is better to have no candidate than to have a candidate who will embarrass LPM.

C. Candidate Paperwork

Each candidate must fill out a "Certificate of Acceptance" and an "Affidavit of Identity." Chairs of LPM affiliates should get copies of the current version for county caucuses. Candidates for Justice of the Supreme Court must also fill out an "Affidavit of Constitutional Qualification."

Forms are available from the Bureau of Elections, county clerks, and at www.michigan.gov/sos. Don't use old versions.

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Libertarian Party of Michigan Affiliate Contacts

Affiliate Name	Contact Name	Website/E-mail
Capital Area LP	Bob Broda	www.calparty.org
Kalamazoo Valley LP	Matt Umlor	www.kalamazoopl.org
LP of Livingston Co.	David Buck	Not Available
Libertarians of Macomb Co.	Jim Allison	www.macomblp.com
Midwest Michigan LP	Brian Kluesner	www.pecktec.com/lpmwm/
LP of Oakland Co.	Leonard Schwartz	www.lpocmi.org
LP of South Central MI	James Parker	jamesp@hillsdale.epcorp.com
Saint Clair Co. LP	Mark Byrne	iwantska@hotmail.com
LP of Southwest MI	Bill Bradley	wbradley@i2k.com
LP of Washtenaw Co.	Lawrence Johnson	www.lpwash.org
Thumb Area LP	Paul Hitch	phitch@intouchmi.com
Traverse Bay LP	Jerry Coon	jtcoon@gtii.com
Tri-City LP	Richard Jozwiak	www.TriCityLibertarianParty.org
LP of Wayne Co.	Loel Gnadt	cynical_bob@juno.com
West MI LP	Jamie Lewis	www.lpwm.org
Kettering University	Adam Hogan	hoga4008@kettering.edu
Hillsdale College	Heidi Morris	hcmorris@hillsdale.edu
NMU Libertarians	Michael Brown	docbrown_77@yahoo.com
U of M College Libertarians	Andrew Moylan	admoylan@umich.edu

The Michigan Libertarian Newsletter

The *Michigan Libertarian* is published bimonthly as the official newsletter of the Libertarian Party of Michigan, 913 W. Holmes Rd., Lansing, MI 48910.

Phone: (888) FREE-NOW

Submissions: Please email articles to newsletter@lpmich.org. Only electronic submission will be accepted. Acceptable formats are plain text, MS Word, HTML, Freehand. Any other formats, please ask first.

Deadline: The next deadline for submission of articles and advertising is April 15, 2005.

LPM Officers and Directors

Chair:	Nathan Allen	chair@lpmich.org
Vice Chair:	Scotty Boman	vicechair@lpmich.org
Secretary:	James Hudler	secretary@lpmich.org
Treasurer:	Will White	treasurer@lpmich.org
Political Director:	Leonard Schwartz	poldir@lpmich.org
Newsletter Director:	Andrew Wrenbeck	newsdir@lpmich.org
Judicial Committee:	Jerry Bloom	jerryliberty@hotmail.com

Campaign Finance Information for Candidates for State or Local Office from page 1

committee's account.

You must keep a record of all contributions for 5 years. You must record the name and home address of each contributor. If someone contributes more than \$100, you must also record the person's occupation, employer, and work address. Do not deposit a check until you get this information.

You can accept contributions from any U.S. citizen. You cannot accept more than \$20 in cash from anyone.

You cannot accept contributions from corporations and labor unions; but you can accept contributions from their political committees. Special rules apply for contributions from political committees that are not registered in Michigan; see Appendix J of the

Manual.

3. Expenditures

You must keep a record of all expenditures for 5 years, even if you paid them out of your own pocket.

Your committee must not make any cash expenditure greater than \$50. Your committee must get a receipt for any expenditure greater than \$50; a canceled check is acceptable.

4. Campaign Finance Reports

You must file periodic campaign finance reports if you received more than \$1000 in contributions or if you spent more than \$1000, even if all campaign expenditures were paid out of your own pocket.

5. Campaign Material

Fundraising letters and most campaign

material must state: "Paid for by [name and address of your committee]."

Leonard Schwartz is the Political Director for the Michigan Libertarian Party

Campaign Finance Information for Congressional Candidates from page 1

not make cash expenditures greater than \$100. Your committee must get a receipt for all expenditures greater than \$200; a canceled check is acceptable.

Most campaign material must say "Paid for by [name of your committee]."

Leonard Schwartz is the Political Director for the Michigan Libertarian Party

How to Become a Candidate from page 2

All forms must be filed in completely. In the past, some members who were nominated didn't get on the ballot because they used old versions or they didn't complete the forms correctly. Here are

some common problems:

1. Put your complete address, including zip code, on both forms. Use the address where you are registered to vote.

2. If you are a candidate for Representative in Congress, State Senator, State Representative, or County

Commissioner, put your district number on both forms. Except for Representative in Congress, you must be registered to vote in your district.

3. Use the correct title of the office sought. If you are running for Congress, the correct title is Representative in Congress. The titles for state offices are listed above. For titles of county and township offices, check with your county or township clerk.

4. On your "Certificate of Acceptance," put "7th day of November, 2006."

Identity," put your precinct number. This is the most common error. If you live in one of the few cities that has wards, also put your ward number. You can find this information on your voter registration card. If you cannot find your voter registration card, call your city or township clerk to get this information.

6. In part II of your "Affidavit of Identity," put "11/07/06" after "General Election," and check "Regular Term." In part IV, check "Certification of Party Nomination . . ."

7. Your "Affidavit of Identity" must be notarized. Notaries will be at the state convention.

Even if you don't yet know the office for which you will be a candidate, try to fill in as much of these forms as possible before the convention.

D. Filing Candidate Paperwork

Forms for each candidate whose district is entirely within one county must be filed with the county clerk.

On Monday, May 15, someone must deliver to the county clerk (1) the "Affidavit of Identity" forms (3 copies for each candidate), (2) the "Certificate of Acceptance" forms, and (3) a list of those candidates. The list must have the complete address, including zip code, of each candidate.

There is no special form for the list of candidates. I suggest that you use a letter, addressed to the county clerk, saying, "Attached is a list of candidates nominated at the [] County caucus of the Libertarian Party of Michigan on May 13." Notice that the date must be May 13, the date the caucus formally closes, even if all candidates were nominated earlier.

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Banking and EIN Information

by Leonard Schwartz

Every political committee (except a candidate committee financed 100% by the candidate) must have its own checking account and IRS Employer Identification Number, even if it has no employees. You don't need a new EIN if you used the same committee name before, even if you dissolved your old committee.

To get a EIN, you must file IRS form SS-4, Application for Employer Identification Number. You can download this form at , fill it in, mail it back, and wait for the IRS reply, which takes several weeks.

I recommend that you get your EIN immediately by applying online instead. The IRS online procedure is somewhat vague and changeable.

Here is a guide:

On the left frame, click "business."

Then click "employer ID number."

On line 3, line 7, and the "name and title" line at the bottom, write the treasurer's name; for a candidate committee, you can write the candidate's name instead.

On line 8a, check "other nonprofit" and write "political committee."

On line 9, check "banking" and write "deposit contribution."

On line 14, check "other" and write "political committee."

On line 15, write "none."

On the bottom line, write a telephone number.

Leonard Schwartz is the Political Director for the Michigan Libertarian Party

How to Become a Candidate from page 3

The letter must be signed by both the chair and secretary of the county caucus (who can be the same person if the caucus has only one person). Forms for other candidates will be filed with the Bureau of Elections on May 15.

Leonard Schwartz is the Political Director for the Michigan Libertarian Party

House Bill Would Make Presidential Elections Easier for the Libertarian Party

by Andrew Wrenbeck

House Bill 5082 was introduced to the Michigan House of Representatives by Rep. Leon Drolet on August 10, 2005, to revise the filing deadline for third party presidential candidates.

Currently the Libertarian Party, and other "Third" parties now have only have 24 hours to file after convention. If passed, The LP would have to file at least 60 days before the general election. Dramatically extending the deadline for our candidates.

The legislation would have no effect on the two largest parties.

The bill was referred to the House Oversight, Elections and Ethics Committee on August 10, 2005. Afterwards, it was reported in the House on February 22, 2006, without amendment and with the recommendation that the bill pass.

Thank You to Tim O'Brien for forwarding this info to the Michigan Libertarian

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Campaign Finance Information

for Affiliate Parties

by Leonard Schwartz

An LPM affiliate can (directly or indirectly) support its candidates in at least five ways:

1. It can encourage its members to contribute money directly to each candidate's committee.
2. To a limited extent (explained below), it can use its administrative fund for generic campaign activity -- advertising that encourages people to vote Libertarian without referring to any identifiable candidate.
3. It can encourage its members to create and support independent political committees, such as the Small Government Alliance and the Fully Informed Voter Effort PAC (5-PAC), that support libertarian candidates.
4. It can create a separate local Libertarian Party campaign fund to support candidates. If used properly, a party administrative fund and campaign fund are not merely separate bank accounts; they are separate legal entities.
5. It can use one fund for candidate support and administrative purposes. This is the worst method. If it does, the fund becomes subject to campaign finance laws.

An affiliate should always have a separate administrative fund. A fund that is used exclusively for administrative purposes is exempt from campaign finance laws.

An affiliate should never transfer money from its administrative fund to a candidate committee, a ballot question committee, an independent political committee, or a state or local LP campaign fund.

An affiliate likewise should never use its administrative fund to make an independent expenditure for or against a candidate or a ballot question. If it does, the administrative fund becomes subject to campaign finance laws.

An administrative fund, however, can be used to send letters to members asking them to contribute money to a state or local LP campaign fund.

Generic campaign activity -- advertising that encourages people to vote Libertarian without referring to any identifiable candidate -- isn't a campaign expenditure under state law. But if the

activity is paid for during the period that begins on the primary election filing deadline (mid-May) and ends on the November election, it is a campaign expenditure under federal law.

An LP web site is not a campaign expenditure under federal or state law, even if it encourages people to vote for candidates. (Newsletters should not be used for Libertarian outreach, even if there is no campaign finance problem. For outreach, use material that is designed for outreach. That is what works.)

Even some large affiliates, like Oakland and Wayne, don't have campaign funds. They rely on methods 1, 2 & 3.

If you want to start a local LP campaign fund, here is how:

1. Select a name for your campaign committee. State law allows two types of local political party campaign committees: county committees and congressional district committees. For a single county affiliate, choose a name like "Oakland County Libertarian Fund." Multi-county affiliates can select one county for the name. For example, the Tri-Cities affiliate could choose the name "Saginaw County Libertarian Fund." Or the affiliate can select its congressional district. For example, the Upper Peninsula affiliate could choose the name "District One Libertarian Fund." Two affiliates cannot

administrative fund treasurer. But I strongly suggest that each fund have a separate treasurer.

3. Contact: Bureau of Elections, 430 W. Allegan, Lansing MI 48918; 517-373-2540. Ask the Bureau to send you "Political Party Committee Manual" and "Political Party Committee Campaign Statement Instructions and Forms." These booklets are also available at <http://www.michigan.gov/sos>.

4. Submit a Statement of Organization.

5. Open a checking account.

6. Keep proper records of contributions and expenditures.

If federal campaign expenditures exceed \$1000 a year, the campaign fund must also register with the Federal Election Commission.

Alternatively, an affiliate can have separate federal and state campaign funds.

Federal campaign expenditures include:

(1) Contributions to federal candidate committees.

(2) Expenditures on behalf of federal candidates.

(3) Generic campaign activity -- advertising that encourages people to vote Libertarian without referring to any identifiable candidate -- paid for during the period that begins on the primary election filing deadline (mid-May) and ends on the

November election.

For more information on federal law, contact the Federal Election Commission, 1-800-424-9530. Ask for a copy of "Campaign Guide for Political Party

Committees." This and other information is available at <http://www.fec.gov/>.

If you are thinking about forming a new independent political committee get

(1) "Campaign Guide for Nonconnected Committees" from the FEC and (2) "Independent Committee Manual" from the Bureau of Elections.

Leonard Schwartz is the Political Director for the Michigan Libertarian Party



Department of State

Terri Lynn Land, Secretary of State

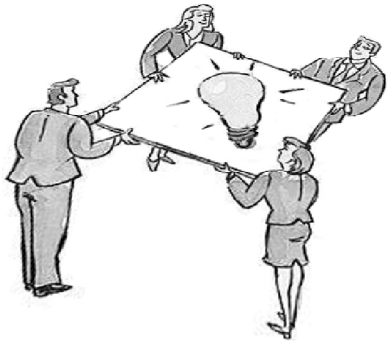
choose the same name. Thus if the Upper Peninsula affiliate chooses the name "District One Libertarian Fund," the Traverse Bay affiliate could not choose the same name.

The name of your committee does not limit your campaigning. You can solicit contributions from all U.S. citizens, even if they do not live in Michigan. And you can use the money to support any candidate in Michigan.

2. Select a treasurer. The campaign fund treasurer also can be the

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Henry Ford

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