

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 5059 (as reported without amendment)
Sponsor: Representative Michael Bishop
House Committee: Family and Civil Law
Senate Committee: Government Operations

CONTENT

The bill would amend the Michigan Campaign Finance Act to eliminate the contribution reporting threshold; repeal a section that prescribes separate reporting requirements for contributions from certain events conducted under the Bingo Act; require the Secretary of State to develop an Internet website for disclosure of certain campaign statements; and require that certain campaign statements be filed electronically.

The Act contains various reporting and recording requirements for contributions or loans to candidates that are over \$20. The bill would eliminate the \$20 threshold, meaning that contributions or loans of any amount would be subject to the Act's reporting requirements.

The bill would retain a provision that prohibits acceptance or expenditure of an anonymous contribution, and requires that such contributions be given to charity. Currently, a contribution received as the result of a fund-raising event or casual services or from the sale of political merchandise that is \$20 or less per person per year is not considered an anonymous contribution. Further, a contribution received from membership fees, dues, or subscriptions for political purposes to an independent committee or political party committee of \$20 or less per person per year is not considered an anonymous contribution. The bill would eliminate these provisions.

Section 25a of the Act provides that the reporting requirements of the Act do not apply to cash contributions of \$25 or more at an event conducted under the Bingo Act by a committee licensed under that Act. Further, Section 25a lists other reporting requirements that do not apply to a contribution made at a charity game conducted under the Bingo Act. The bill would repeal Section 25a.

MCL 169.205 et al.

Legislative Analyst: G. Towne

FISCAL IMPACT

The provisions of this bill would substantially widen the pool of contributions that must be reported to the Secretary of State. The bill also would require the Department of State to develop and implement an electronic filing system for the disclosure of contributions. According to the Department of State, the creation, implementation, and maintenance of electronic disclosure would cost approximately \$990,000. The Department anticipates that \$750,000 would need to be allocated for system development, maintenance, support, programming, and a back-up system. For the 2000 election cycle, the Department anticipates that start-up costs would be approximately \$240,000 to cover costs of compiling information for next year's elections. According to the Department, it will request annual appropriations for ongoing costs beginning in FY 2000-01.

Date Completed: 12-7-99

Fiscal Analyst: E. Limbs