

HOUSE BILL No. 4429

March 12, 2013, Introduced by Reps. Lamonte, Ananich, LaVoy, Brinks, Faris, Singh, Smiley, Knezek, Brunner, Greimel, Segal, Barnett, Hovey-Wright, Roberts, McCann, Banks, Brown, Townsend, Irwin, Zemke, Dillon, Switalski, Yanez, Kosowski, Tlaib, Hobbs, Driskell, Cavanagh, Kandrevas, Schor, Slavens, Lipton and Abed and referred to the Committee on Elections and Ethics.

A bill to amend 1978 PA 472, entitled

"An act to regulate political activity; to regulate lobbyists, lobbyist agents, and lobbying activities; to require registration of lobbyists and lobbyist agents; to require the filing of reports; to prescribe the powers and duties of the department of state; to prescribe penalties; and to repeal certain acts and parts of acts,"

by amending sections 8 and 12 (MCL 4.418 and 4.422), section 8 as amended by 1994 PA 412.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8. (1) ~~A EACH~~ lobbyist or a lobbyist agent shall file a
2 ~~signed report in a form prescribed by the secretary of state under~~
3 ~~this section. A report shall be filed on January 31 covering the~~
4 ~~calendar year ending on the immediately preceding December 31, and~~
5 ~~on August 31 covering the immediately preceding December 31 to July~~
6 ~~31. REPORT WITH THE SECRETARY OF STATE THAT COVERS THE FIRST 6~~
7 ~~MONTHS OF EACH CALENDAR YEAR AND A REPORT THAT COVERS THE ENTIRE~~
8 ~~CALENDAR YEAR. ALL OF THE FOLLOWING APPLY TO A REPORT DESCRIBED IN~~

1 THIS SUBSECTION:

2 (A) THE LOBBYIST OR LOBBYIST AGENT SHALL SUBMIT THE REPORT IN
3 WRITING, IN THE FORM PRESCRIBED BY THE SECRETARY OF STATE AND
4 SIGNED BY THE INDIVIDUAL WHO IS SUBMITTING THE REPORT, AND SUBMIT
5 THE REPORT ELECTRONICALLY, IN THE MANNER PRESCRIBED BY THE
6 SECRETARY OF STATE.

7 (B) THE LOBBYIST OR LOBBYIST AGENT SHALL FILE A REPORT THAT
8 COVERS A CALENDAR YEAR BY JANUARY 31 OF THE NEXT CALENDAR YEAR AND
9 A REPORT THAT COVERS THE FIRST 6 MONTHS OF A CALENDAR YEAR BY
10 AUGUST 31 OF THAT YEAR.

11 (C) A report **FOR A LOBBYIST** shall be filed by ~~a~~~~THE~~ lobbyist
12 or ~~for the lobbyist~~ by the lobbyist agent who acts on behalf of the
13 lobbyist. ~~, and the~~ **A REPORT FOR A** lobbyist agent who acts on his
14 or her own behalf **SHALL BE FILED BY THAT LOBBYIST AGENT.**

15 (D) A lobbyist or a lobbyist agent may request from the
16 secretary of state an extension of the deadline for filing the
17 report for a period ~~not to exceed~~ **OF NOT MORE THAN** 60 days. The
18 secretary of state shall respond in writing to the request, either
19 approving or disapproving the request, and if approval is granted,
20 the period of the extension, ~~not later than~~ **WITHIN** 9 days after
21 ~~receipt of~~ **THE SECRETARY OF STATE RECEIVES** the request.

22 (E) A lobbyist or lobbyist agent may file an amended report
23 within 1 year after the date the report is required to be filed,
24 including an extension period **GRANTED UNDER SUBDIVISION (D)**. The

25 (F) **EACH** report ~~shall be on a prescribed form and shall~~
26 include the following information:

27 (i) ~~(a)~~ A statement updating to the end of the reporting period

1 the information required ~~to be filed~~ **FOR REGISTRATION** under section
2 7.

3 (ii) ~~(b)~~ An account of expenditures made by a lobbyist,
4 lobbyist agent, or representative of a lobbyist. The **ACCOUNTING**
5 **SHALL REPORT THE** expenditures ~~shall be reported by category, with~~
6 ~~the report showing~~ **IN THE FOLLOWING CATEGORIES, SHOW** the total
7 amount expended in each category during the preceding reporting
8 period, and **SHOW** the cumulative amount expended in each category
9 for the ~~current year~~ **PERIOD** from January 1 through the ~~month~~
10 ~~covered by the report. Expenditures shall be reported in the~~
11 ~~following categories~~ **END OF THE REPORTING PERIOD:**

12 (A) ~~(i)~~ Expenditures **SUBJECT TO SUBSECTION (2), EXPENDITURES**
13 for food and beverage provided for public officials. ~~as specified~~
14 ~~in subsection (2).~~

15 (B) ~~(ii)~~ Advertising and mass mailing expenses directly related
16 to lobbying.

17 (C) ~~(iii)~~ Other expenditures for lobbying made or incurred by a
18 lobbyist, a lobbyist agent, or an employee of a lobbyist or
19 lobbyist agent, other than expenditures for lobbying made or
20 incurred by a lobbyist, a lobbyist agent, or an employee of a
21 lobbyist or a lobbyist agent of less than \$5.00 made for goods or
22 services for which a receipt or proof of purchase is not normally
23 available.

24 (iii) ~~(e)~~ An account of every financial transaction during the
25 ~~immediately preceding~~ reporting period between the lobbyist or
26 lobbyist agent, or a person acting on behalf of the lobbyist or
27 lobbyist agent, and a public official or a member of the public

1 official's immediate family, or a business with which the
 2 individual is associated, in which goods and services ~~having~~**THAT**
 3 **HAVE A** value of at least \$775.00, or travel and lodging expenses
 4 paid for or reimbursed to a public official in connection with
 5 public business by that public official in excess of \$500.00, are
 6 involved. The account shall include the date and nature of the
 7 transaction, the parties to the transaction, and the amount
 8 involved in the transaction. This ~~subdivision~~**SUBPARAGRAPH** does not
 9 apply to the following:

10 (A) ~~(i)~~ A financial transaction in the ordinary course of the
 11 business of the lobbyist, if the primary business of the lobbyist
 12 is other than lobbying, and if consideration of equal or greater
 13 value is received by the lobbyist.

14 (B) ~~(ii)~~ A financial transaction undertaken in the ordinary
 15 course of the lobbyist's business, in which fair market value is
 16 given or received for a benefit conferred.

17 (iv) ~~(d)~~ A brief description of the lobbying activities engaged
 18 in during the previous reporting period.

19 (v) ~~(e)~~ In the case of ~~FOR~~ travel and lodging expenses
 20 described in ~~subdivision (e)~~, **SUBPARAGRAPH (iii), PAID FOR OR**
 21 **REIMBURSED TO A PUBLIC OFFICIAL WHO IS A LEGISLATOR**, the lobbyist
 22 or lobbyist agent shall ~~prepare~~**INCLUDE WITH THE REPORT** a separate
 23 document detailing the ~~expenditure required to be reported~~.
 24 **EXPENDITURES THE LOBBYIST OR LOBBYING AGENT IS REQUIRED TO REPORT.**
 25 The lobbyist or lobbyist agent shall send, simultaneously with the
 26 filing of the report to the secretary of state, a copy of the
 27 document to the affected legislator.

1 (2) Expenditures for food and beverage provided **TO** a public
2 official shall be reported **UNDER SUBSECTION (1) (F) (ii)** if the
3 expenditures for that public official exceed \$25.00 in any month
4 covered by the report or \$150.00 during that calendar year from
5 January 1 through the month covered by the report. The report shall
6 include the name and title or office of the public official and the
7 expenditures on that public official for the months covered by the
8 report and for the year. If more than 1 public official is provided
9 food and beverage and a single check is rendered, the report may
10 reflect the average amount of the check for each public official.
11 If the expenditures are a result of an event at which more than 25
12 public officials were in attendance, are a result of an event to
13 which an entire standing committee of the legislature was invited
14 in writing to be informed concerning a bill that was assigned to
15 that standing committee, or are a result of an event to which an
16 entire caucus of either house of the legislature was invited in
17 writing, a lobbyist or a lobbyist agent shall report the total
18 amount expended on the public officials in attendance for food and
19 beverage and is not required to report the amount expended on the
20 public officials individually. In reporting those amounts, the
21 lobbyist or lobbyist agent shall file a statement providing a
22 description by category of the persons in attendance and the nature
23 of each event or function held during the preceding reporting
24 period.

25 (3) A person ~~who,~~ **THAT**, without good cause, fails to report
26 under subsection (1) shall pay a late filing fee of \$10.00 for each
27 day the report remains not filed in violation of subsection (1),

1 ~~not to exceed~~ **SUBJECT TO A MAXIMUM LATE FILING FEE FOR THAT UNFILED**
2 **REPORT OF** \$300.00. A person ~~who without good cause is in violation~~
3 ~~of~~ **THAT VIOLATES** subsection (1) **FOR** more than 30 days **WITHOUT GOOD**
4 **CAUSE** is guilty of a misdemeanor, punishable by a fine of not more
5 than \$1,000.00.

6 (4) If a lobbyist agent employs another lobbyist agent to
7 engage in lobbying, **THE EMPLOYER LOBBYIST AGENT SHALL REPORT** the
8 activities of the employee lobbyist agent ~~shall be reported by the~~
9 ~~employer lobbyist agent~~ under this section.

10 (5) Within a reasonable time after ~~receipt of~~ **RECEIVING** a
11 request from an elected public official in regard to a report of a
12 lobbyist or a lobbyist agent, the secretary of state shall report
13 to the elected public official on any reported activity by the
14 lobbyist or lobbyist agent in that report, and shall notify the
15 elected public official of the specific occurrence and the specific
16 nature of the reported activity.

17 (6) The secretary of state shall preserve statements and
18 reports filed under this act for 5 years after filing. ~~The~~
19 ~~statements and reports may be reproduced pursuant to the records~~
20 ~~media act.~~ **STATEMENTS AND REPORTS PRESERVED BY REPRODUCTION UNDER**
21 **THE RECORDS MEDIA ACT, 1992 PA 116, MCL 24.401 TO 24.403, COMPLY**
22 **WITH THIS SUBSECTION.** After the required preservation period, the
23 **SECRETARY OF STATE SHALL DESTROY OR ARRANGE FOR THE DESTRUCTION OF**
24 **THE** statements and reports, or the reproductions of the statements
25 and reports, other than those necessary to complete an
26 investigation by the attorney general or pertinent to a matter
27 being adjudicated in a court of law. ~~, shall be destroyed.~~

1 Sec. 12. (1) ~~The department 2 times~~ **TWICE** a year and annually
2 **THE DEPARTMENT** shall prepare and publish summaries of the
3 statements and reports received **UNDER THIS ACT**. The summaries shall
4 include a list of the names of the lobbyists and lobbyist agents.
5 The summaries shall be given wide public dissemination.

6 (2) **THE DEPARTMENT SHALL INCLUDE ALL REPORTS RECEIVED UNDER**
7 **SECTION 4 IN A SEARCHABLE DATABASE AND MAKE THAT DATABASE AVAILABLE**
8 **TO THE PUBLIC ON AN INTERNET WEBSITE.**