

HOUSE BILL NO. 6180

September 03, 2020, Introduced by Reps. Liberati, Calley, Hall and Marino 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 section 8 (MCL 4.418), as amended by 1994 PA 412.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 8. (1) A lobbyist or a lobbyist agent shall file a signed
- 2 report in a form prescribed by the secretary of state under this
- 3 section. A report ~~shall~~**must** be filed on ~~January 31~~**February 28**
- 4 covering the calendar year ending on the immediately preceding



1 December 31, and on ~~August 31~~ **September 30** covering the immediately
2 preceding December 31 to July 31. A report ~~shall~~ **must** be filed by a
3 lobbyist or for the lobbyist by the lobbyist agent who acts on
4 behalf of the lobbyist, and the lobbyist agent who acts on his or
5 her own behalf. A lobbyist or a lobbyist agent may request from the
6 secretary of state an extension of the deadline for filing the
7 report for a period **that does** not ~~to~~ exceed 60 days. The secretary
8 of state shall respond in writing to the request, either approving
9 or disapproving the request, and if approval is granted, the period
10 of the extension, ~~not later than~~ **within** 9 days after receipt of the
11 request. A lobbyist or lobbyist agent may file an amended report
12 within 1 year after the date the report is required to be filed,
13 including an extension period. The report ~~shall~~ **must** be on a
14 ~~prescribed form~~ **prescribed by the secretary of state** and ~~shall~~ **must**
15 include the following information:

16 (a) A statement updating to the end of the reporting period
17 the information required to be filed under section 7.

18 (b) An account of expenditures made by a lobbyist, lobbyist
19 agent, or representative of a lobbyist. The expenditures ~~shall~~ **must**
20 be reported by category, with the report showing the total amount
21 expended in each category during the preceding reporting period and
22 the cumulative amount expended in each category for the current
23 year from January 1 through the **last month of the reporting period**
24 covered by the report. Expenditures ~~shall~~ **must** be reported in the
25 following categories:

26 (i) Expenditures for food and beverage provided for public
27 officials as specified in subsection (2).

28 (ii) Advertising and mass mailing expenses directly related to
29 lobbying.



1 (iii) Other expenditures for lobbying made or incurred by a
 2 lobbyist, a lobbyist agent, or an employee of a lobbyist or
 3 lobbyist agent, other than expenditures for lobbying made or
 4 incurred by a lobbyist, a lobbyist agent, or an employee of a
 5 lobbyist or a lobbyist agent of less than \$5.00 made for goods or
 6 services for which a receipt or proof of purchase is not normally
 7 available.

8 (c) An account of every financial transaction during the
 9 immediately preceding reporting period between the lobbyist or
 10 lobbyist agent, or a person acting on behalf of the lobbyist or
 11 lobbyist agent, and a public official or a member of the public
 12 official's immediate family, or a business with which the
 13 individual is associated, in which goods and services having value
 14 of at least \$775.00, or travel and lodging expenses paid for or
 15 reimbursed to a public official in connection with public business
 16 by that public official in excess of \$500.00, are involved. The
 17 account ~~shall~~**must** include the date and nature of the transaction,
 18 the parties to the transaction, and the amount involved in the
 19 transaction. This subdivision does not apply to **any of** the
 20 following:

21 (i) A financial transaction in the ordinary course of the
 22 business of the lobbyist, if the primary business of the lobbyist
 23 is other than lobbying, and if consideration of equal or greater
 24 value is received by the lobbyist.

25 (ii) A financial transaction undertaken in the ordinary course
 26 of the lobbyist's business, in which fair market value is given or
 27 received for a benefit conferred.

28 (d) A brief description of the lobbying activities engaged in
 29 during the previous reporting period.



1 (e) ~~In the case of~~ **For** travel and lodging expenses described
2 in subdivision (c), the lobbyist or lobbyist agent shall prepare a
3 separate document detailing the expenditure required to be
4 reported. The lobbyist or lobbyist agent shall send, simultaneously
5 with the filing of the report to the secretary of state, a copy of
6 the document to the affected legislator.

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



1 preceding reporting period.

2 (3) A person who, without good cause, fails to report under
 3 subsection (1) shall pay a late filing fee of \$10.00 for each day
 4 the report remains ~~not filed~~**unfiled** in violation of subsection
 5 (1), not to exceed \$300.00. A person who without good cause is in
 6 violation of subsection (1) more than 30 days is guilty of a
 7 misdemeanor, punishable by a fine of not more than \$1,000.00.

8 (4) If a lobbyist agent employs another lobbyist agent to
 9 engage in lobbying, the **employer lobbyist agent shall report the**
 10 activities of the employee lobbyist agent ~~shall be reported by the~~
 11 ~~employer lobbyist agent~~ under this section.

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

19 (6) The secretary of state shall preserve statements and
 20 reports filed under this act for 5 years after **the date of** filing.
 21 The **secretary of state may reproduce the** statements and reports ~~may~~
 22 ~~be reproduced pursuant to~~**under** the records ~~media~~**reproduction** act,
 23 **1992 PA 116, MCL 24.401 to 24.406**. After the required preservation
 24 period, **the secretary of state shall destroy** the statements and
 25 reports, or the reproductions of the statements and reports, other
 26 than those necessary to complete an investigation by the attorney
 27 general or pertinent to a matter being adjudicated in a court of
 28 law. ~~, shall be destroyed.~~

