HOUSE BILL No. 5321

December 5, 1989, Introduced by Rep. Niederstadt and referred to the Committee on Towns and Counties.

A bill to amend section 8 of Act No. 472 of the Public Acts of 1978, 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,"

as amended by Act No. 83 of the Public Acts of 1986, being section 4.418 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Section 1. Section 8 of Act No. 472 of the Public Acts of
- 2 1978, as amended by Act No. 83 of the Public Acts of 1986, being
- 3 section 4.418 of the Michigan Compiled Laws, is amended to read
- 4 as follows:
- 5 Sec. 8. (1) A lobbyist or a lobbyist agent shall file a
- 6 signed report in a form prescribed by the secretary of state

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- 1 under this section. A report shall be filed on January 31
- 2 covering the calendar year ending on the immediately preceding
- 3 December 31, and on August 31 covering the immediately preceding
- 4 December 31 to July 31. A report shall be filed by a lobbyist or
- 5 for the lobbyist by the lobbyist agent who acts on behalf of the
- 6 lobbyist, and the lobbyist agent who acts on his or her own
- 7 behalf. A lobbyist or a lobbyist agent may request from the sec-
- 8 retary of state an extension to the date required OF THE
- 9 DEADLINE for filing the report for a period not to exceed 60
- 10 days. The secretary of state shall respond in writing to the
- 11 request, either approving or disapproving the request, and if
- 12 approval is granted, the period of the extension, not later than
- 13 9 days after receipt of the request. A lobbyist or lobbyist
- 14 agent may file an amended report within 1 year after the date the
- 15 report is required to be filed, including an extension period.
- 16 The report shall be on a prescribed form and shall include the
- 17 following information:
- 18 (a) A statement updating to the end of the reporting period
- 19 the information required to be filed under section 7.
- 20 (b) An account of -all- expenditures made by a lobbyist,
- 21 lobbyist agent, or representative of a lobbyist. The expendi-
- 22 tures shall be reported by category, with the report showing the
- 23 total amount expended in each category during the preceding
- 24 reporting period and the cumulative amount expended in each cate-
- 25 gory for the current year from January 1 through the month cov-
- 26 ered by the report. Expenditures shall be reported in the
- 27 following categories:

- (i) Expenditures for food and beverage provided for publicofficials as specified in subsection (2).
- 3 (ii) Advertising and mass mailing expenses directly related4 to lobbying.
- 6 incurred by a lobbyist, a lobbyist agent, or an employee of a lobbyist or lobbyist agent, other than expenditures for lobbying made or incurred by a lobbyist, a lobbyist agent, or an employee
- 9 of a lobbyist or a lobbyist agent of less than \$5.00 made for
- 10 goods or services for which a receipt or proof of purchase is not
- 11 normally available.
- (c) An account of every financial transaction during the
- 13 immediately preceding reporting period between the lobbyist or
- 14 lobbyist agent, or a person acting on behalf of the lobbyist or
- 15 lobbyist agent, and a public official or a member of the public of
- 16 official's immediate family, or a business with which the indi-
- 17 vidual is associated in which goods and services having value of
- 18 at least \$500.00 are involved. The account shall include the
- 19 date and nature of the transaction, the parties to the transac-
- 20 tion, and the amount involved in the transaction. This subdivi-
- 21 sion -shall DOES not apply to a financial transaction in the
- 22 ordinary course of the business of the lobbyist, if the primary
- 23 business of the lobbyist is other than lobbying, and if consider-
- 24 ation of equal or greater value is received by the lobbyist.
- 25 This subdivision -shall DOES not apply to a transaction under-
- 26 taken in the ordinary course of the lobbyist's business, in which
- 27 fair market value is given or received for a benefit conferred.

- 1 (d) A brief description of the lobbying activities engaged
 2 in during the previous reporting period.
- 3 (2) Expenditures for food and beverage provided a public
- 4 official shall be reported if the expenditures for that public
- 5 official exceed \$25.00 in any month covered by the report or
- 6 \$150.00 during that calendar year from January 1 through the
- 7 month covered by the report. The report shall include the name
- 8 and title or office of the public official and the expenditures
- 9 on that public official for the months covered by the report and
- 10 for the year. If more than 1 public official is provided food
- 11 and beverage and a single check is rendered, the report may
- 12 reflect the average amount of the check for each public
- 13 official. If the expenditures are a result of an event at which
- 14 more than 25 public officials were in attendance, are a result of
- 15 an event to which an entire standing committee of the legislature
- 16 -has been WAS invited in writing to be informed concerning a
- 17 bill -which has been- THAT WAS assigned to that standing commit-
- 18 tee, or are a result of an event to which an entire caucus of
- 19 either house of the Legislature has been LEGISLATURE WAS
- 20 invited to in writing, a lobbyist or a lobbyist agent shall
- 21 report the total amount expended on the public officials in
- 22 attendance for food and beverage and -shall IS not -be required
- 23 to -list REPORT THE AMOUNT EXPENDED ON THE PUBLIC OFFICIALS
- 24 individually. In reporting those amounts, the lobbyist or lobby-
- 25 ist agent shall file a statement providing a description by cate-
- 26 gory of the persons in attendance and the nature of each event or
- 27 function held during the preceding reporting period.

- 1 (3) A person who, without good cause, fails to report under
- 2 subsection (1) shall pay a late filing fee of \$10.00 for each day
- 3 the report remains not filed in violation of subsection (1), not
- 4 to exceed \$300.00. A person who without good cause is in viola-
- 5 tion of subsection (1) more than 30 days is guilty of a misde-
- 6 meanor, punishable by a fine of not more than \$1,000.00.
- 7 (4) If a lobbyist agent employs another lobbyist agent to
- 8 engage in lobbying, the activities of the employee lobbyist agent
- 9 shall be reported by the employer lobbyist agent under this
- 10 section.
- 11 (5) Within a reasonable time after receipt of a request from
- 12 an elected public official in regard to a report of a lobbyist or
- 13 a lobbyist agent, the secretary of state shall report to the
- 14 elected public official on any reported activity by the lobbyist
- 15 or lobbyist agent in that report, and shall notify the elected
- 16 public official of the specific occurrence and the specific
- 17 nature of the reported activity.
- 18 (6) The secretary of state shall preserve -all statements
- 19 and reports filed under this act for 5 years after filing. The
- 20 statements and reports may be -microfilmed REPRODUCED PURSUANT
- 21 TO THE RECORDS MEDIA ACT. After the required preservation
- 22 period, the statements and reports, other than statements and
- 23 reports THOSE necessary to the completion of an investigation by
- 24 the attorney general or pertinent to a matter being adjudicated
- 25 in a court of law, microfilmed or otherwise INCLUDING ANY
- 26 REPRODUCTIONS, shall be destroyed.

Section 2. This amendatory act shall not take effect unless 2 House Bill No. 5013 of the 85th Legislature is enacted into law.