

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 5057 (Substitute H-1 as passed by the House)  
Sponsor: Representative Gary Woronchak  
House Committee: Constitutional Law and Ethics  
Senate Committee: Government Operations

Date Completed: 12-2-99

## **CONTENT**

**The bill would amend the Michigan Campaign Finance Act to increase late filing fees for failure to file campaign statements on time; and establish additional procedures for the handling of complaints alleging violations of the Act.**

### Late Filing Fees

Currently, committees must file campaign statements as required under the Act. The bill specifies that a committee would have to file a "complete" campaign statement. Currently, a committee, candidate, treasurer, or other individual designated as responsible for the committee's record-keeping, report preparation, or report filing who fails to file a statement as required must pay a fee of \$25 for each business day the statement remains unfiled, to a maximum of \$500. The bill would retain these late filing fees for a committee that raised \$10,000 or less during the previous two years. If a committee raised over \$10,000 during the previous two years, the late filing fee would be \$25 for each business day the report remained unfiled; an additional \$25 for each business day after the first three business days the report remained unfiled; and an additional \$50 per business day after the first 10 business days the report remained unfiled. The maximum fee would be raised from \$500 to \$1,000.

For a ballot question committee that raised over \$10,000 during the previous two years, the bill would increase the late filing fee from \$25 to \$50 per business day, and raise the maximum fee from \$1,000 to \$2,000. For a candidate committee of a candidate for a State elective office or a judicial office that raised over \$10,000 during the previous two years, the bill would increase the late filing fee from \$25 to \$50 per business day, and raise the maximum fee from \$500 to \$1,000.

### Complaints

Under the Act, a person may file a complaint with the Secretary of State to allege a violation of the Act. Upon receiving of a complaint the Secretary of State must investigate the allegation pursuant to rules promulgated under the Act. The bill provides that within five business days after a complaint was filed, the Secretary of State would have to give notice to the person against whom the complaint was filed. The notice would have to include a copy of the complaint. Within 15 business days after this notice was provided, the person against whom the complaint was filed could submit a response to the Secretary of State. The Secretary of State could extend the period for submitting a response an additional 15 business days for good cause. The Secretary of State would have to provide a copy of a response received to the complainant.

Within 10 business days after receiving a copy of the response, the complainant could submit a rebuttal statement to the Secretary of State. The Secretary of State could extend the period for submitting a rebuttal statement an additional 10 business days for good cause. The Secretary of State would have to provide a copy of the rebuttal statement to the person against whom the complaint was filed. Every 60 days after a complaint was filed and until the matter was terminated, the Secretary of State would have to mail to the complainant and to the alleged violator notice of the action taken to date by the Secretary of State, together with the reasons for the action or nonaction.

MCL 169.215 et al.

Legislative Analyst: G. Towne

### **FISCAL IMPACT**

The fiscal impact of this bill is indeterminate. The State could receive additional revenue from the increase in late filing fees. The State also would incur additional administrative costs from the proposed procedures for handling complaints of alleged violations of the Act.

Fiscal Analyst: E. Limbs

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.