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BILL ANALYSIS

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Senate Bill 113 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Senator Michelle A. McManus
Committee: Campaign and Election Oversight

CONTENT

The bill would amend the Michigan Campaign Finance Act to set deadlines for the Secretary of State (SOS) to act, and establish posting requirements, in regard to alleged violations of the Act; increase the civil fine for violations; and make the fine mandatory.

Within 60 business days after receiving a rebuttal statement from the person who was the subject of a complaint, or if no response or rebuttal were received, the SOS would have to post on the internet whether there could be reason to believe that a violation had occurred. Within five business days after determining that there could be reason to believe a violation had occurred, the SOS would have to post on the internet any complaint, response, or rebuttal statement received regarding the violation, and any related correspondence between the SOS and the complainant or the alleged violator.

Currently, if the SOS cannot correct or prevent further violation by informal methods, he or she may commence a hearing to determine if a civil violation occurred, or refer the matter to the Attorney General for the enforcement of any criminal penalty. The bill would require the SOS to commence a hearing or refer the matter within 30 business days. The Attorney General could refer the matter to the prosecuting attorney of the county where the violation occurred. Within 60 days after referral to the Attorney General or a county prosecutor, he or she would have to determine whether to proceed with enforcement.

Currently, if the SOS determines after a hearing that a violation has occurred, he or she may issue an order requiring the person to pay a civil fine equal to the amount of the improper contribution or expenditure plus up to \$1,000 for each violation. Under the bill, the SOS would have to issue an order requiring the person to pay a civil fine equal to triple the amount of the improper contribution or expenditure plus \$1,000 per violation.

MCL 169.215

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill could have a minimal fiscal impact on the Secretary of State's resources. The proposed time lines for responding to complaints along with the posting of information on the Secretary of State's web page could, at times, require additional staff and/or staff time. These potential costs, however, would be minimal and supported by current appropriations. The exact amount of the potential additional costs is indeterminate.

The bill also would increase the amount of civil fine revenue that is deposited in the State's General Fund. The bill would have no fiscal impact on local government.

Date Completed: 5-14-09

Fiscal Analyst: Joe Carrasco

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Analysis available @ <http://www.michiganlegislature.org>

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