

HOUSE BILL NO. 4130

February 04, 2021, Introduced by Reps. Koleszar, Calley and Sabo 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~~**Except as otherwise provided in this subsection, a**

1 report ~~shall~~**must** be filed on ~~January 31~~**February 28** covering the
2 ~~calendar year ending on the~~ immediately preceding ~~December 31,~~
3 **August 31 to January 31**, and on ~~August 31~~**September 30** covering the
4 immediately preceding ~~December 31~~**January 31** to ~~July 31.~~**August 31.**
5 **For the report to be filed on September 30, 2021, the report must**
6 **cover the immediately preceding December 31 to August 31.** A report
7 ~~shall~~**must** be filed by a lobbyist or for the lobbyist by the
8 lobbyist agent who acts on behalf of the lobbyist, and the lobbyist
9 agent who acts on his or her own behalf. A lobbyist or a lobbyist
10 agent may request from the secretary of state an extension of the
11 deadline for filing the report for a period **that does** not ~~to~~ exceed
12 60 days. The secretary of state shall respond in writing to the
13 request, either approving or disapproving the request, and if
14 approval is granted, the period of the extension, ~~not later than~~
15 **within** 9 days after receipt of the request. A lobbyist or lobbyist
16 agent may file an amended report within 1 year after the date the
17 report is required to be filed, including an extension period. The
18 report ~~shall~~**must** be on a ~~prescribed~~ form **prescribed by the**
19 **secretary of state** and ~~shall~~**must** include the following
20 information:

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

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

1 following categories:

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

4 (ii) Advertising and mass mailing expenses directly related to
5 lobbying.

6 (iii) Other expenditures for lobbying made or incurred by a
7 lobbyist, a lobbyist agent, or an employee of a lobbyist or
8 lobbyist agent, other than expenditures for lobbying made or
9 incurred by a lobbyist, a lobbyist agent, or an employee of a
10 lobbyist or a lobbyist agent of less than \$5.00 made for goods or
11 services for which a receipt or proof of purchase is not normally
12 available.

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

26 (i) A financial transaction in the ordinary course of the
27 business of the lobbyist, if the primary business of the lobbyist
28 is other than lobbying, and if consideration of equal or greater
29 value is received by the lobbyist.

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

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

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

12 (2) Expenditures for food and beverage provided **to** a public
13 official ~~shall~~ **must** be reported if the expenditures for that public
14 official exceed \$25.00 in any month covered by the report or
15 \$150.00 during that calendar year from January 1 through the **last**
16 month **of the reporting period** covered by the report. The report
17 ~~shall~~ **must** include the name and title or office of the public
18 official and the expenditures on that public official for the
19 months covered by the report and for the year. If more than 1
20 public official is provided food and beverage and a single check is
21 rendered, the report may reflect the average amount of the check
22 for each public official. If the expenditures are a result of an
23 event at which more than 25 public officials were in attendance,
24 are a result of an event to which an entire standing committee of
25 the legislature was invited in writing to be informed concerning a
26 bill that was assigned to that standing committee, or are a result
27 of an event to which an entire caucus of either house of the
28 legislature was invited in writing, a lobbyist or a lobbyist agent
29 shall report the total amount expended on the public officials in

1 attendance for food and beverage and is not required to report the
2 amount expended on the public officials individually. In reporting
3 those amounts, the lobbyist or lobbyist agent shall file a
4 statement providing a description by category of the persons in
5 attendance and the nature of each event or function held during the
6 preceding reporting period.

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

13 (4) If a lobbyist agent employs another lobbyist agent to
14 engage in lobbying, the **employer lobbyist agent shall report the**
15 activities of the employee lobbyist agent ~~shall be reported by the~~
16 ~~employer lobbyist agent~~ under this section.

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

24 (6) The secretary of state shall preserve statements and
25 reports filed under this act for 5 years after **the date of** filing.
26 The **secretary of state may reproduce the** statements and reports ~~may~~
27 ~~be reproduced pursuant to~~**under** the records ~~media~~**reproduction** act,
28 **1992 PA 116, MCL 24.401 to 24.406**. After the required preservation
29 period, **the secretary of state shall destroy** the statements and

1 reports, or the reproductions of the statements and reports, other
2 than those necessary to complete an investigation by the attorney
3 general or pertinent to a matter being adjudicated in a court of
4 law. ~~, shall be destroyed.~~