



**House  
Legislative  
Analysis  
Section**

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**BAN HONORARIA**

**House Bill 4371 (Substitute H-2)  
First Analysis (3-10-93)**

**Sponsor: Rep. Dianne Byrum  
Committee: House Oversight & Ethics**

***THE APPARENT PROBLEM:***

Public confidence in government depends partly on citizens believing that elected public officials exercise judgment and make decisions based on honest, informed assessments of what is in the public interest. All too often, the public's perception is that decisions and actions are driven by so-called special interests whose influence derives from campaign contributions and special favors to public officials. One area of potential abuse is that of honoraria, the payment of fees to elected officials by professional groups, trade associations, and similar organizations for speeches, articles, panel discussions, and similar appearances. While this is not considered a problem in Michigan at present, because it reportedly happens rarely, it remains a concern for those interested in improving laws governing campaign finance and professional ethics.

***THE CONTENT OF THE BILL:***

The bill would amend the Campaign Finance Act to prohibit a person holding an elective office from accepting an honorarium. A violation would be a misdemeanor, punishable by a fine of not more than \$1,000 or imprisonment for not more than 90 days or both.

The term "honorarium" would be defined as a payment of money or anything of value to a person holding elective office as consideration for an appearance, a speech, an article, or any activity related to or associated with the performance of duties as an elective official. The term would not include: (a) reimbursement for the cost of transportation, accommodation, or meals for the person; (b) a payment by the state; or (c) an award. An award would mean a plaque, trophy, certificate, bust, ceremonial gavel, or memento.

The term "elective office" is defined in the act as a public office filled by an election, except for federal offices. This means the bill would apply to elected officials at local, regional, and state levels.

MCL 169.202 and 169.207

***FISCAL IMPLICATIONS:***

There is no information at present.

***ARGUMENTS:***

***For:***

When elected officials make a speech, participate in a panel discussion, or otherwise make an appearance as part of their official duties, they should not accept payment. Officials know, or should know, what their responsibilities and rates of compensation will be when they take on an office, and should be willing to carry out the responsibilities of that office without extra, outside compensation. It creates a bad public impression for an elected official to take money for a speech before a group with an interest in matters or issues on which the elected official will have influence, whether through legislation or administrative action.

***Response:***

The bill does not go far enough. It does not cover, for example, transportation, accommodations, or meals paid on behalf of an elected official by an interest group sponsoring a convention or conference, which is a more likely occurrence for many elected officials. At the very least, all such things should be reported. (Reportedly, such payments now must only be reported when they exceed \$750 and only when made by a registered lobbyist.)

***POSITIONS:***

The secretary of state's office has expressed support for restrictions on honoraria and has recommended amending the lobbyist registration act to conform to the bill. (3-1-93)

Common Cause of Michigan supports the bill. (3-8-93)

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