



SENATE BILL No. 1319

November 29, 1994, Introduced by Senators POSTHUMUS, MILLER, STEIL, DUNASKISS, MC MANUS, CHERRY and KOIVISTO and referred to the Committee on Government Operations.

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. 189 of the Public Acts of 1992, 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. 189 of the Public Acts of 1992, 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

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 of the deadline for filing the
9 report for a period not to exceed 60 days. The secretary of
10 state shall respond in writing to the request, either approving
11 or disapproving the request, and if approval is granted, the
12 period of the extension, not later than 9 days after receipt of
13 the request. A lobbyist or lobbyist agent may file an amended
14 report within 1 year after the date the report is required to be
15 filed, including an extension period. The report shall be on a
16 prescribed form and shall include the following information:

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

19 (b) An account of expenditures made by a lobbyist, lobbyist
20 agent, or representative of a lobbyist. The expenditures shall
21 be reported by category, with the report showing the total amount
22 expended in each category during the preceding reporting period
23 and the cumulative amount expended in each category for the cur-
24 rent year from January 1 through the month covered by the
25 report. Expenditures shall be reported in the following
26 categories:

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

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

5 (iii) TRAVEL AND LODGING EXPENSES PAID FOR OR REIMBURSED TO
6 A PUBLIC OFFICIAL IN EXCESS OF \$500.00.

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

14 (c) An account of every financial transaction during the
15 immediately preceding reporting period between the lobbyist or
16 lobbyist agent, or a person acting on behalf of the lobbyist or
17 lobbyist agent, and a public official or a member of the public
18 official's immediate family, or a business with which the indi-
19 vidual is associated, in which goods and services having value of
20 at least \$500.00, OR TRAVEL AND LODGING EXPENSES PAID FOR OR
21 REIMBURSED TO A PUBLIC OFFICIAL IN EXCESS OF \$500.00, are
22 involved. The account shall include the date and nature of the
23 transaction, the parties to the transaction, and the amount
24 involved in the transaction. This subdivision does not apply to
25 ~~a~~ THE FOLLOWING:

26 (i) A financial transaction in the ordinary course of the
27 business of the lobbyist, if the primary business of the lobbyist

1 is other than lobbying, and if consideration of equal or greater
2 value is received by the lobbyist. ~~This subdivision does not~~
3 ~~apply to a~~

4 (ii) A FINANCIAL transaction undertaken in the ordinary
5 course of the lobbyist's business, in which fair market value is
6 given or received for a benefit conferred.

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

9 (E) IN THE CASE OF TRAVEL AND LODGING EXPENSES AS DESCRIBED
10 IN SUBDIVISION (B)(iii) OR (C), THE LOBBYIST OR LOBBYIST AGENT
11 SHALL PREPARE A SEPARATE DOCUMENT DETAILING THE EXPENDITURE
12 REQUIRED TO BE REPORTED AND SEND A COPY TO THE LEGISLATOR UPON
13 WHOSE BEHALF THE EXPENDITURE WAS MADE. THE DOCUMENT SHALL BE
14 SENT ON OR BEFORE THE DATES DESCRIBED IN THIS SUBSECTION FOR
15 FILING A REPORT TO THE SECRETARY OF STATE.

16 (2) Expenditures for food and beverage provided a public
17 official shall be reported if the expenditures for that public
18 official exceed \$25.00 in any month covered by the report or
19 \$150.00 during that calendar year from January 1 through the
20 month covered by the report. The report shall include the name
21 and title or office of the public official and the expenditures
22 on that public official for the months covered by the report and
23 for the year. If more than 1 public official is provided food
24 and beverage and a single check is rendered, the report may
25 reflect the average amount of the check for each public
26 official. If the expenditures are a result of an event at which
27 more than 25 public officials were in attendance, are a result of

1 an event to which an entire standing committee of the legislature
2 was invited in writing to be informed concerning a bill that was
3 assigned to that standing committee, or are a result of an event
4 to which an entire caucus of either house of the legislature was
5 invited in writing, a lobbyist or a lobbyist agent shall report
6 the total amount expended on the public officials in attendance
7 for food and beverage and is not required to report the amount
8 expended on the public officials individually. In reporting
9 those amounts, the lobbyist or lobbyist agent shall file a state-
10 ment providing a description by category of the persons in
11 attendance and the nature of each event or function held during
12 the preceding reporting period.

13 (3) A person who, without good cause, fails to report under
14 subsection (1) shall pay a late filing fee of \$10.00 for each day
15 the report remains not filed in violation of subsection (1), not
16 to exceed \$300.00. A person who without good cause is in viola-
17 tion of subsection (1) more than 30 days is guilty of a misde-
18 meanor, punishable by a fine of not more than \$1,000.00.

19 (4) If a lobbyist agent employs another lobbyist agent to
20 engage in lobbying, the activities of the employee lobbyist agent
21 shall be reported by the employer lobbyist agent under this
22 section.

23 (5) Within a reasonable time after receipt of a request from
24 an elected public official in regard to a report of a lobbyist or
25 a lobbyist agent, the secretary of state shall report to the
26 elected public official on any reported activity by the lobbyist
27 or lobbyist agent in that report, and shall notify the elected

1 public official of the specific occurrence and the specific
2 nature of the reported activity.

3 (6) The secretary of state shall preserve statements and
4 reports filed under this act for 5 years after filing. The
5 statements and reports may be reproduced pursuant to the records
6 media act. After the required preservation period, the state-
7 ments and reports, or the reproductions of the statements and
8 reports, other than those necessary to complete an investigation
9 by the attorney general or pertinent to a matter being adjudi-
10 cated in a court of law, shall be destroyed.