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Senate Bills 99 through 101 (as introduced 2-26-25)

Sponsor: Senator Jeremy Moss (S.B. 99)  
Senator Ed McBroom (S.B. 100)  
Senator Sam Singh (S.B. 101)

Committee: Oversight

Date Completed: 2-27-25

## **CONTENT**

**Senate Bill 99** would amend the Public Officers Financial Disclosure Act to do the following:

- Require a public officer to report the occupation of the public officer's spouse and the name of the employer or employers of the spouse only if the spouse received at least \$1,000 in annual income.
- Specify that reporting requirements for unearned income and securities would have to include the origin and address of the sources and securities.
- Require a public officer to include the name of the lobbyist or lobbyist agent that made the gift payment, travel payment, or payment to a charity in lieu of honorarium to the officer.
- Require the Department of State to make available the most recent version of the reporting form by March 1, 2025.
- Require the Secretary of State (SOS) to accept statements and reports required to be filed with the SOS that were submitted via email as an alternative to the Act's electronic filing system and apply this requirement retroactively.

**Senate Bill 100** would amend the Candidate for Office Financial Disclosure Act to do the following:

- Specify that the term "candidate for office" would mean a candidate who intended to appear on the ballot, in addition to current criteria.
- Require a candidate for office to report the occupation of the candidate's spouse and the name of the employer or employers of the spouse only if the spouse received at least \$1,000 in annual income.
- Specify that reporting requirements for unearned income and securities would have to include the origin and address of the sources and securities.
- Require the Department of State to make available the most recent version of the reporting form by March 1, 2026.
- Require the SOS to accept statements and reports required to be filed with the SOS that were submitted via email as an alternative to the Act's electronic filing system and apply this requirement retroactively.

**Senate Bill 101** would amend the lobbyist registration Act to prescribe the process of how to determine the fair market value of an item or service and modify the definition of "gift" to specify that it would not include tickets to a charity event or admission to a conference or educational event directly related to the duties of the public official provided admission.

## **Senate Bills 99 & 100**

### **Public Officer and Candidate for Office Reporting Requirements**

The Public Officers Financial Disclosure Act and the Candidate for Office Financial Disclosure Act require a public officer and a candidate for office to file an annual financial disclosure report with the Department of State (see **BACKGROUND** for more detail).

"Public officer" means all the following:

- A State representative.
- A State senator.
- The Attorney General.
- The Governor.
- The Lieutenant Governor.
- The SOS.

"Candidate for office" means a candidate for any of those offices described above who is subject of the Michigan Campaign Finance Act and whose candidate committee received or spent more than \$1,000 during the election cycle. The bill specifies that the term apply to a candidate that met the criteria above and who intended to appear on the ballot during the election cycle.

Among other things, the financial disclosure report must include the name of the spouse of the public officer or candidate for office, the occupation of the public officer's or candidate's spouse, and the name of the employer or employers of the public officer's or candidate's spouse. Each bill would modify this requirement to specify that the public officer or candidate for office would have to report the occupation of the spouse and the name of the employer or employers of the spouse if the spouse received at least \$1,000 in annual income.

The Candidate for Office Financial Disclosure Act requires a candidate for office to report the name and address of the candidate's employer and the positions held during the reporting period if the candidate received at least \$1,000 during the reporting period. The bill specifies that this would apply to all a candidate's employers, if the candidate had multiple employers.

Additionally, the report must include a list of each of the public officer's or candidate for office's assets, excluding a business asset, held for investment or production of income with a fair market value of \$1,000 or more during the reporting period and any sources of unearned income that exceed \$200 during the reporting period. The report also must include a list of any stocks, bonds, or other forms of securities held by the public officer or candidate for office or held jointly with the public officer's or candidate for office's spouse during the reporting period, if the security has a total aggregate fair market value of \$1,000 or more. The Act specifies that these items must be adjusted at the rate of the Consumer Price Index every four years. The bill specifies that the officer or candidate would have to report the origin and address of the sources of unearned income and securities.

"Consumer Price Index" would mean the most comprehensive index of consumer prices available for the Detroit-Warren-Dearborn area from Bureau of Labor Statistics of the United States Department of Labor.

Finally, a public officer must include in the report a list of all gifts and travel payments received and reported by a lobbyist or lobbyist agent under State law and a list of each payment by a lobbyist or lobbyist agent to a charity in lieu of honoraria. The bill specifies that each list also would have to include the name of the lobbyist or lobbyist agent that made the payment.

## Disclosure Form

The Acts require the Department of State to create a standard financial disclosure form for use by a public officer and a form for candidates for office and make the forms easily available on its website. The bill would require the Department to make the most current version of the form for public officers available on its website by March 15, 2025, and the most current version of the form for candidates available on its website by March 15, 2026.

## Email Submitted Reports

Among other things, the Acts require the SOS to make forms and instructions available and to create and operate an internet-accessible system to receive the statements and reports the Acts require. Under the bill, the SOS also would have to accept statements and reports required to be filed with the SOS that were submitted via email as an acceptable alternative to the electronic filing system. This provision also would apply retroactively to statements and reports submitted by email for the reporting period of January 1, 2023, to December 31, 2023.

## **Senate Bill 101**

### Definitions

Under the lobbyist registration Act, "gift" means a payment, advance, forbearance, or the rendering or deposit of money, services, or anything of value, the value of which exceeds \$25, as adjusted by the Detroit CPI for inflation, in any one-month period, unless consideration of equal or greater value is received therefor. The term includes a payment, advance, forbearance, or the rendering or deposit of money, services, or anything of value to aid the defense of an official in the legislative branch or an official in the executive branch against a legal action not directly related to the governmental duties of the official.

The term does not include the following:

- A campaign contribution otherwise reported as required by the Michigan Campaign Finance Act.
- A loan made in the normal course of business by a bank, State agency, or State foreign bank branch, a national bank, a branch bank, an insurance company issuing a loan or receiving a mortgage in the normal course of business, a premium finance company, a mortgage company, a small loan company, a State or Federal credit union, a savings and loan association chartered by the State or the Federal government, or a person issued a license under the Motor Vehicle Sales Finance Act.
- A gift received from a member of the person's immediate family, a relative of a spouse, a relative within the seventh degree of consanguinity as computed by the civil law method, or from the spouse of the relative.
- A breakfast, luncheon, dinner, or other refreshment consisting of food and beverage provided for immediate consumption.
- A contribution to a legal defense fund that is registered with the SOS under the Legal Defense Fund Act and whose purpose is to defend an elected official against any criminal, civil, or administrative action, that arises directly out of the conduct of the elected official's governmental duties.

Under the bill, the term also would not include the following:

- A ticket or an offer of free or reduced-price attendance to a charity event that had the primary purpose of raising money for a 501(c)(3) nonprofit organization.

- Admission to a conference or educational event if the subject matter of the conference or event were directly related to the duties of the public official who was provided the admission.

Additionally, the term would include items and would specify that the value of payment, advance, forbearance, or the rendering or deposit of money, services, or anything of value would apply to the fair market value.

"Fair market value" would mean the value of an item or service on the open market that is available to any member of the public at the time the item or service is exchanged. The fair market value would have to be determined as described below.

#### Determination of Fair Market Value

The fair market value of an item or service would have to be determined as follows:

- The basis of market prices on the date that the exchange for the item or service was made; however, price fluctuations that occurred before or after the date of exchange would not affect the determination.
- If the item or service *were* available on the primary market, the primary market would have to be used to determine the fair market value of the item or service.
- If the item or service *were not* available on the primary market, the price available onto the public on the secondary market would have to be used to determine the fair market value of the item or service.
- The price available to the general public for the same item or service would have to be used as the fair market value.
- If the exact same item or service were not available on the primary or secondary market for purchase by the general public, the price of an item or service of similar type, quality, age, and quantity, to the extent each factor was relevant, would have to be used for the determination.

The bill specifies that a lobbyist would bear the burden of providing evidence of fair market value of an item or service. Additionally, on the request of a public official or the SOS, a lobbyist would have to submit evidence that supported the fair market value determination relevant to any financial transaction required to be reported under Section 8(1)(c) of the Act, within nine days after receipt of the item or service involved in the financial transaction. (Section 8(1)(c) requires lobbyists and lobbyist agents to include an account of every financial transaction during the immediately preceding reporting period involving goods and services worth at least \$775 or travel or lodging expenses worth over \$500 with public officials or their families, unless the transactions are in the ordinary course of business and the fair market value is exchanged in the report that lobbyists and lobbyist agents must submit to the SOS twice a year.)

#### **PREVIOUS LEGISLATION**

*(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)*

The bills are similar to Senate Bills 1196 through 1198 of the 2023-2024 Legislative Session. Senate Bills 1196 through 1198 passed the Senate and were referred to the House Committee on Government Operations but received no further action.

#### **BACKGROUND**

"Report" means the financial disclosure report under Section 10 of Article IV of the State Constitution. In March 2022, the Board of State Canvassers approved the form and summary

of an initiative petition sponsored by a group called Voters for Transparency and Term Limits. Generally, the initiative petition sought to amend the Michigan Constitution to require members of the Legislature, the Governor, the SOS, and the Attorney General to file annual public financial disclosure reports and modify Michigan's term limits requirement to allow an individual to serve a total of 12 years in any combination between the Senate and the House. The organization would have had to collect over 425,000 signatures by July 11, 2022, to have the initiation petition placed on the November ballot; however, that threshold was not reached. Instead, the House and Senate adopted House Joint Resolution R during the 2021-2022 Legislative Session, which placed the initiative on the ballot as Proposal 22-1. The Proposal passed with 66.45% of the vote during the November general election.

MCL 15.703 et al. (S.B. 99)  
169.303 et al. (S.B. 100)  
4.413 & 4.414 (S.B. 101)

Legislative Analyst: Eleni Lionas

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Joe Carrasco, Jr.

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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.