

Legislative Analysis



ALLOW USE OF CAMPAIGN FUNDS FOR CHILD CARE EXPENSES

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<http://www.house.mi.gov/hfa>

House Bill 4413 as introduced
Sponsor: Rep. Rachel Hood
Committee: Elections
Complete to 5-8-23

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4413 would amend the Michigan Campaign Finance Act to allow certain *caregiving expenses* to qualify as expenditures and incidental expenses.

Caregiving expenses would mean the costs of direct care, protection, and supervision of a child or of a person with a disability or medical condition for whom an individual has a direct caregiving responsibility. Caregiving expenses would *not* include private school tuition, medical expenses, tutoring services, or payments to a relative, unless the relative owns or operates a professional day care or babysitting service and the cost of the service is no greater than what the relative would otherwise charge for the service.

Caregiving expenses that directly result from a candidate's engaging in campaign activities would qualify as campaign expenditures, and those that directly result from a public official's carrying out the business of an elective office would qualify as incidental expenses.

MCL 169.203 et seq.

BACKGROUND:

In 2018 and 2019, the Federal Elections Commission (FEC) approved the use of campaign funds for child care expenses, ruling that the candidates would not have incurred the expenses had they not been a candidate for office and the expenses are thus a direct result of campaign activity.¹ However, the decisions only apply to candidates for federal office. House Bill 4413 would extend this authorization to candidates for public office in Michigan.

As of 2022, the use of campaign funds for caregiving expenses is permitted by law in 16 states and by ethics and court rulings in an additional 10 states.² No state law prohibits the use of campaign funds for child care expenses, but the Iowa Ethics and Campaign Disclosure Board ruled against the practice in 2018 in the absence of explicit statutory authorization.³

¹ The 2018 FEC opinion can be found here: <https://www.fec.gov/files/legal/aos/2018-06/2018-06.pdf>. The 2019 opinion can be found here: <https://www.fec.gov/files/legal/aos/2019-13/2019-13.pdf>.

² The Vote Mama Foundation, which advocates for state-level approval of the use of campaign funds for child care expenses, tracks the status of legislation and court rulings in every state: <https://www.votemamafoundation.org/cfcc-where-we-stand>.

³ The order can be found here: <https://ethics.iowa.gov/advisory-opinion/iecdb-ao-2018-02>.

FISCAL IMPACT:

The bill would have no fiscal impact on the state or local units of government.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.