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**SFA****BILL ANALYSIS**

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House Bill 4026 (Substitute S-2 as reported by the Committee of the Whole)

Sponsor: Representative Scott Shackleton

House Committee: Constitutional Law and Ethics

Senate Committee: Government Operations

## **CONTENT**

The bill would amend the Michigan Campaign Finance Act to extend the time filing officials must keep certain campaign statements and reports, from five years to 15 years; require the preservation, for 15 years, of records regarding violations of the Act; and delete the requirement that records be destroyed after the preservation period.

Currently, a committee's statement of organization, and any other statement or report filed under the Act, must be preserved by the filing official (the Secretary of State or a local clerk) for five years after the committee's dissolution or after the filing occurred, as applicable.

The bill provides that a statement of organization, or any other statement or report, filed under the Act, that was filed with the Secretary of State would have to be preserved for 15 years from the date of a committee's dissolution (for a statement of organization) or from the date filed (for any other statement or report). A statement of organization, or any other statement or report, filed with a local filing official would have to be preserved for 15 years if filed by a committee that received more than \$50,000 in an election cycle; and preserved for five years if the committee received \$50,000 or less in an election cycle.

Currently, if an uncorrected violation has occurred in a statement or report, or a court determines that a violation has occurred, the statement or report must be preserved until five years after the date of the court determination or the date the violation is corrected, whichever is later. The bill provides, instead, that if a determination were made under Section 15 of the Act that a violation had occurred, the Secretary of State would have to preserve all related complaints, orders, decisions, or other documents for 15 years from the date of a court determination or the date violation was corrected, whichever was later. (Section 15 prescribes the procedures the Secretary of State must follow regarding complaints received alleging violations of the Act, and the actions the Secretary of State may take if violations are determined to have occurred. A final decision by the Secretary of State is subject to judicial review.)

Currently, statements and reports filed under the Act must be destroyed after the required preservation period. The bill provides instead that after the required preservation period statements and reports could be disposed of as prescribed in the Management and Budget Act and Public Act 271 of 1913, which governs the Michigan Historical Commission.

MCL 169.216

Legislative Analyst: G. Towne

## **FISCAL IMPACT**

State and local governments could incur costs due to the storage and retrieval requirements of this bill. Because the costs would depend on the medium of storage and the volume of storage, the fiscal impact of this bill is indeterminate.

Date Completed: 2-16-00

Fiscal Analyst: E. Limbs