

Legislative Analysis



ADD VIOLATIONS TO LOBBYIST REGISTRATION ACT

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4687 (H-1) as passed by the House
Sponsor: Rep. Laurie Pohutsky

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

House Bill 4688 as passed by the House
Sponsor: Rep. David W. Martin

House Bill 4689 (H-1) as passed by the House
Sponsor: Rep. Andrea K. Schroeder

1st Committee: Elections and Ethics
2nd Committee: Rules and Competitiveness
Complete to 7-26-21

SUMMARY:

House Bills 4687, 4688, and 4689 would each amend 1978 PA 472, known as the lobbyist registration act.

Currently, the act prohibits a member of the House of Representatives or Senate who resigns from office from making expenditures for or receiving compensation or reimbursement for actual expenses for lobbying for the remainder of that term of office.

However, there is currently no limit on lobbying activities once a member leaves office for any other reason (including expiration of their term of office).

House Bill 4687 would provide that, for two years after leaving office, former members could not conduct certain activities that would require registration as a lobbyist agent. (Specifically, they could not make expenditures for or receive compensation or reimbursement for actual expenses that equal or exceed the limit requiring registration.) This provision would apply to members whose terms of office begin on or after January 1, 2023.

The current prohibition on lobbying during the remainder of a term in which the member resigns would continue to apply to members who resign before January 1, 2023.

Violation of the current prohibition (lobbying activities after resignation) is a misdemeanor punishable by up to 90 days' imprisonment or a fine of up to \$1,000, or both.

This penalty also would apply to violation of the prohibition proposed by the bill.

MCL 4.416a

House Bill 4688 would extend this prohibition on lobbying activities for two years after leaving office to the former heads of state departments, beginning for heads whose terms of office begin on or after January 1, 2023.

Violation of this prohibition also would be a misdemeanor punishable by up to 90 days' imprisonment or a fine of up to \$1,000, or both.

Proposed MCL 4.416b

House Bill 4689 would provide that a member of the House or Representatives or Senate could not receive compensation, other than that allowed by law for a member, for communicating directly with any of the following for the purposes of influencing legislative or administrative action:

- An official in the executive branch.
- An official in the legislative branch.
- An official in the executive branch of any other government.
- An official in the legislative branch of any other government.

Violation of this prohibition also would be a misdemeanor punishable by up to 90 days' imprisonment or a fine of up to \$1,000, or both.

The bill would take effect January 1, 2022.

Proposed MCL 4.416c

FISCAL IMPACT:

The bills would have an indeterminate fiscal impact on the state and on local units of government. The fiscal impact would depend on the number of violations that occur under provisions of the bills. New misdemeanor convictions would increase costs related to county jails and/or local misdemeanor probation supervision. Costs of local incarceration in county jails and local misdemeanor probation supervision, and how those costs are financed, vary by jurisdiction. The fiscal impact on local court systems would depend on how provisions of the bill affected court caseloads and related administrative costs. Any increase in penal fine revenue would increase funding for public and county law libraries, which are the constitutionally designated recipients of those revenues.

POSITIONS:

The Department of State indicated support for the bills. (4-27-21)

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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.