

HOUSE BILL NO. 5256

October 25, 2023, Introduced by Reps. Brabec, Hill, Miller, MacDonell, Morgan, Stone, Byrnes, Wilson, Conlin, Andrews, Coffia, McFall, Skaggs, Price, Hope, Rheingans, Brixie, Paiz, Dievendorf, McKinney, Martus and Arbit.

A bill to regulate political activity; to require members of the governing boards of certain state universities to file financial reports; to prescribe the powers and duties of certain state officers and agencies; to impose fees; to prescribe penalties and civil sanctions; and to provide remedies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act may be cited as the "university board member
2 financial disclosure act".

3 Sec. 2. As used in this act:

1 (a) "Beneficial interest" includes, but is not limited to, the
2 interest in a trust of a qualified trust beneficiary or a trust
3 beneficiary as those terms are defined in section 7103 of the
4 estates and protected individuals code, 1998 PA 386, MCL 700.7103.

5 (b) "Blind trust" means a qualified blind trust or qualified
6 diversified trust as those terms are defined in 5 CFR 2634.403.

7 (c) "Dependent" means an individual claimed by the state
8 official or the state official's spouse as a dependent for federal
9 income tax purposes.

10 (d) "Earned income" means salaries, wages, tips, bonuses,
11 commissions, or other compensation or net earnings from self-
12 employment for the taxable year.

13 (e) "Gift" means that term as defined in section 4 of 1978 PA
14 472, MCL 4.414.

15 (f) "Immediate family member" means the spouse or a dependent
16 of the state official.

17 (g) "Income" means money or any thing of value received, or to
18 be received as a claim on future services, whether in the form of a
19 fee, salary, expense, allowance, forbearance, forgiveness,
20 interest, dividend, royalty, rent, capital gain, or any other form
21 of recompense that is considered income under the internal revenue
22 code of 1986, 26 USC 1 to 9834.

23 (h) "Liabilities" means what a person owes to another person,
24 including, but not limited to, mortgages or other debts. For
25 purposes of this act, a debt does not include a revolving or
26 unsecured debt that is from a financial institution or the federal
27 government.

28 (i) "Lobbyist" means that term as defined in section 5 of 1978
29 PA 472, MCL 4.415.

1 (j) "Lobbyist agent" means that term as defined in section 5
2 of 1978 PA 472, MCL 4.415.

3 (k) "Person" means an individual, partnership, corporation,
4 association, or other legal entity.

5 (l) "Reporting period" means both of the following:

6 (i) For the first report required to be filed under section 3,
7 from January 1, 2024 to April 15, 2024.

8 (ii) For subsequent reports required to be filed under section
9 3, January 1 to December 31 of the preceding calendar year in which
10 the report is filed.

11 (m) "Spouse" means an individual who is lawfully married to
12 the state official as described under 26 CFR 301.7701-18.

13 (n) "State official" means an individual who is serving in any
14 of the following offices:

15 (i) Regent of the University of Michigan.

16 (ii) Member of the board of trustees of Michigan State
17 University.

18 (iii) Member of the board of governors of Wayne State
19 University.

20 (o) "Unearned income" means income that is not earned from
21 employment, including, but not limited to, inheritance money,
22 financial prize, unemployment benefits, annuities, stock dividends,
23 deferred compensation, pension, profit sharing, or retirement
24 income.

25 Sec. 3. (1) An individual who is a state official at any time
26 during a calendar year shall electronically file with the secretary
27 of state a report that meets the requirements of section 4. The
28 report required to be filed under this subsection must first be
29 filed by April 15, 2024 and by May 15 of each year thereafter. This

1 subsection does not apply to an individual who was a state official
2 only on the first day of the calendar year or who, under any of the
3 following acts, files a report in the current calendar year:

4 (a) State board of education financial disclosure act.

5 (b) Candidate for the state board of education financial
6 disclosure act.

7 (c) Executive office financial disclosure act.

8 (d) Candidate for executive office financial disclosure act.

9 (e) State representative financial disclosure act.

10 (f) Candidate for state representative financial disclosure
11 act.

12 (g) State senator financial disclosure act.

13 (h) Candidate for state senator financial disclosure act.

14 (i) Candidate for university board member financial disclosure
15 act.

16 (2) If a state official who is required to file a report under
17 this act receives notice from the secretary of state under section
18 6(1)(g), the state official shall, within 9 business days after
19 receiving the notice, file corrections to the errors or omissions
20 or file the report, as applicable.

21 Sec. 4. (1) Subject to subsection (4) and except as provided
22 in section 5, a report required under section 3 must include a
23 complete statement of all of the following:

24 (a) The following information regarding the state official
25 during the reporting period:

26 (i) The full name, mailing address, and occupation of the state
27 official.

28 (ii) The name, address, and principal activity of each employer
29 of the state official.

1 (iii) The source and type of all income, including earned and
2 unearned income, received by the state official. For purposes of
3 this subparagraph, the state official shall report a source of
4 income only if the income received from that source is \$1,000.00 or
5 more and indicate whether the amount of income received from each
6 source of income is between \$1,000.00 and \$49,999.99 or \$50,000.00
7 or more.

8 (iv) A description of each real property or property that the
9 state official has an ownership interest in, including, but not
10 limited to, commercial, industrial, or agricultural buildings. For
11 purposes of this subparagraph, the state official is required to
12 include a real property or property described under this
13 subparagraph in the report only if that real property or property
14 has a fair market value of \$1,000.00 or more during the reporting
15 period. A state official may exclude the street number of a parcel
16 of real property or property listed under this subparagraph.

17 (v) A description of any stocks, bonds, commodities, futures,
18 shares in mutual funds, or other forms of securities defined under
19 26 USC 1236 held by the state official or held jointly with the
20 state official's spouse. For purposes of this subparagraph, the
21 state official is required to include a security described under
22 this subparagraph in the report only if that security has a total
23 value of \$1,000.00 or more on a specified day that is within the
24 final month of the calendar year covered in the reporting period.

25 (vi) A description of all liabilities owed by the state
26 official and the identity of each creditor. For purposes of this
27 subparagraph, the state official is required to report a liability
28 under this subparagraph only if the liability owed to a creditor is
29 \$1,000.00 or more during that reporting period.

1 (vii) The identity of all compensated positions held by the
2 state official as an officer, director, member, trustee, partner,
3 proprietor, representative, employee, or consultant of a
4 corporation, limited liability company, limited partnership,
5 partnership, or other business enterprise; of a nonprofit
6 organization; of a labor organization; or of an educational
7 institution or other institution other than this state, if the
8 total compensation received from a position equals \$1,000.00 or
9 more during the reporting period. A position reported under this
10 subparagraph must include the title of the position, the name of
11 the entity within which the position exists, and the principal
12 activity of the entity. A position held in any religious, social,
13 fraternal, or political entity, or a position that is solely of an
14 honorary nature, is excluded under this subparagraph.

15 (viii) The date, parties to, and general terms of any agreements
16 or arrangements with respect to future employment, a leave of
17 absence while serving as a state official, continuation or deferral
18 of payments by a former or current employer other than this state,
19 or continuing participation in an employee welfare or benefit plan
20 maintained by a former employer.

21 (ix) A list of all gifts and expenditures for food and
22 beverages reported by a lobbyist or lobbyist agent under state law.

23 (x) A list of all travel and expenses paid for or reimbursed
24 by a lobbyist or lobbyist agent that are reported by the lobbyist
25 or lobbyist agent under state law.

26 (xi) A description of each payment made by a lobbyist or
27 lobbyist agent to a charity in lieu of honoraria.

28 (xii) If the state official filing the report or an immediate
29 family member of that state official was required during the

1 reporting period to register as a lobbyist or lobbyist agent under
2 section 7 of 1978 PA 472, MCL 4.417, the name, address, and
3 principal activity of all persons who gave compensation to or
4 reimbursed the state official or the state official's immediate
5 family member for lobbying.

6 (xiii) A description of any interest the state official had
7 during the reporting period in a legal entity that conducts
8 business in this state, if the interest has a book value of
9 \$1,000.00 or more. For purposes of this subparagraph, the state
10 official shall indicate for each legal entity the state official
11 has an interest in the name of the legal entity and if the
12 financial value in the legal entity is between \$1,000.00 and
13 \$49,999.99 or \$50,000.00 and more.

14 (xiv) A description of all contracts entered into, or in which
15 the state official or the state official's immediate family member
16 has an interest, with this state.

17 (xv) A description of any employment that the state official or
18 the state official's immediate family member had with this state at
19 any time during the reporting period. For purposes of this
20 subparagraph, if the state official or the state official's
21 immediate family member was employed by this state, the name of the
22 state agency or department and a description of the position with
23 the state agency or department must be included.

24 (xvi) A description of any transfers made by the state official
25 of real property or securities from the state official's name into
26 the name of an immediate family member of the state official over
27 the previous 2 calendar years that have a value of \$50,000.00 or
28 more.

29 (b) Beginning January 1, 2028, the following information

1 regarding the spouse of the state official during the reporting
2 period:

3 (i) The name of the spouse of the state official.

4 (ii) The principal activity of the spouse of the state
5 official, if the spouse's total earned income from the employer
6 equals \$50,000.00 or more during that reporting period.

7 (iii) The source and type of all income, including earned and
8 unearned income received by the spouse of the state official. For
9 purposes of this subparagraph, the spouse of the state official is
10 required to include the source of income described under this
11 subparagraph only if the total income from that source equals
12 \$50,000.00 or more during that reporting period.

13 (iv) A description of each real property or property that the
14 spouse of the state official has an ownership interest in,
15 including, but not limited to, commercial, industrial, or
16 agricultural buildings. For purposes of this subparagraph, the
17 spouse of the state official is required to include a real property
18 or property described under this subparagraph in the report only if
19 the real property or property had a fair market value of \$50,000.00
20 or more at any time the real property was held during that
21 reporting period. The street number of a parcel of real property
22 listed under this subparagraph may be excluded from the report.

23 (v) A description of any stocks, bonds, commodities, futures,
24 shares in mutual funds, or other forms of securities held by the
25 spouse of the state official. For purposes of this subparagraph,
26 the spouse of the state official is required to include a security
27 described under this subparagraph in the report only if the
28 security has a total aggregate fair market value of \$50,000.00 or
29 more on a specified day that is within the final month of the

1 calendar year covered in the reporting period.

2 (vi) A description of any interest the spouse of the state
3 official had during the reporting period in a legal entity that
4 conducts business in this state, if the interest has a book value
5 of \$50,000.00 or more.

6 (c) Beginning January 1, 2028, the following information
7 regarding a dependent of the state official during the reporting
8 period; for purposes of this subdivision, the state official may
9 refer to each dependent using the dependent's first and last
10 initial:

11 (i) The number of dependents that the state official and the
12 spouse of the state official claim for federal income tax purposes.

13 (ii) The principal activity of each employer of each dependent
14 of the state official, if the dependent's total earned income from
15 the employer equals \$50,000.00 or more during the reporting period.

16 (iii) The source and type of all income, including earned and
17 unearned income received by each dependent of the state official,
18 if the source of income described under this subparagraph equals
19 \$50,000.00 or more during that reporting period.

20 (iv) A description of each real property or property that each
21 dependent of the state official has an ownership interest in,
22 including, but not limited to, commercial, industrial, or
23 agricultural buildings. For purposes of this subparagraph, the
24 dependent is required to include a real property or property
25 described under this subsection only if the real property or
26 property had a fair market value of \$50,000.00 or more at any time
27 that the real property or property was held during that reporting
28 period. The street number of a parcel of real property or property
29 listed under this subparagraph may be excluded from the report.

1 (v) A description of any stocks, bonds, commodities, futures,
2 shares in mutual funds, or other forms of securities held by each
3 dependent of the state official. For purposes of this subparagraph,
4 each dependent of the state official is required to include a
5 security described under this subparagraph in the report only if
6 the security has a total aggregate fair market value of \$50,000.00
7 or more on a specified day that is within the final month of the
8 calendar year covered in the reporting period.

9 (vi) A description of any interest each dependent of the state
10 official had during the reporting period in a legal entity that
11 conducts business in this state, if the interest has a book value
12 of \$50,000.00 or more.

13 (2) Subject to subsection (4), information a state official is
14 required to report under this section includes information with
15 respect to the income from a trust or other financial arrangement
16 from which income is received by, or with respect to which a
17 beneficial interest in principal or income is held by, the state
18 official required to file a report under this section or that state
19 official's immediate family member.

20 (3) A state official is not required to disclose the value of
21 any item reported under subsection (1) (a) (iii), (iv) to (vii), (xiii), or
22 (xvi), (1) (b) (iii), or (iv) to (vi), or (1) (c) (iii), or (iv) to (vi).

23 (4) If a state official required to file a report under
24 section 3 or that state official's immediate family member holds a
25 beneficial interest in a blind trust, the state official is not
26 required to include the interests or assets of the blind trust in
27 the state official's statement under subsection (1). However, the
28 state official must indicate in the state official's report that
29 the state official or the state official's immediate family member

1 holds a beneficial interest in a blind trust.

2 (5) A state official shall preserve the records used to
3 prepare a report under this act for 5 years and make the records
4 available for inspection, on request.

5 Sec. 5. A state official filing a report under section 3 may
6 omit any of the following:

7 (a) Information an individual is required to report under the
8 Michigan campaign finance act, 1976 PA 388, MCL 169.201 to 169.282.

9 (b) An item otherwise required to be reported under section
10 4(1)(a) (iv) or (v), (b) (iv) or (v), or (c) (iv) or (v) if all of the
11 following apply:

12 (i) The item represents the exclusive financial interest and
13 responsibility of the spouse or dependent of the state official
14 about which the state official does not have actual knowledge.

15 (ii) The item is not in any way, past or present, derived from
16 the income, assets, or activities of the state official.

17 (iii) The state official does not derive, or expect to derive,
18 financial benefit from the item.

19 (c) An item that concerns a spouse who is living separate and
20 apart from the state official with the intention of terminating the
21 marriage or maintaining a legal separation.

22 (d) An item that concerns income of the state official or the
23 spouse of that state official arising from dissolution of the state
24 official's marriage or a permanent legal separation from the state
25 official's spouse.

26 (e) Benefits received under the social security act, chapter
27 531, 49 Stat 620.

28 Sec. 6. (1) The secretary of state shall do all of the
29 following:

1 (a) Make available through the secretary of state's offices
2 appropriate forms, instructions, and manuals required by this act.

3 (b) Create and operate an electronic, internet-accessible
4 system to receive all statements and reports required by this act
5 to be filed with the secretary of state.

6 (c) Create all forms, instructions, and manuals required under
7 this act.

8 (d) Promulgate rules and issue declaratory rulings to
9 implement this act under the administrative procedures act of 1969,
10 1969 PA 306, MCL 24.201 to 24.328.

11 (e) On receiving a written request and the required filing,
12 waive payment of a late filing fee if the request for the waiver is
13 based on good cause and accompanied by adequate documentation. One
14 or more of the following reasons constitute good cause for a late
15 filing fee waiver:

16 (i) The incapacitating physical illness, hospitalization,
17 accident involvement, death, or incapacitation for medical reasons
18 of a state official.

19 (ii) Other unique, unintentional factors beyond the state
20 official's control that are not the result of a negligent act or
21 nonaction so that a reasonably prudent person would excuse the
22 filing on a temporary basis. These factors include the loss or
23 unavailability of records because of a fire, flood, theft, or
24 similar reason and difficulties related to the transmission of the
25 filing to the secretary of state, such as exceptionally bad
26 weather.

27 (f) As soon as practicable, but not later than 5 business days
28 after a report required to be filed under this act is received,
29 make the report or all of the contents of the report available

1 without charge to the public on a separate internet webpage or its
2 website homepage.

3 (g) Within 9 business days after the deadline for filing a
4 report under this act, notify an individual of any error or
5 omission in the individual's report or that the individual failed
6 to file the required report.

7 (2) Except as otherwise provided in subsection (13), the
8 secretary of state shall issue a declaratory ruling under this
9 section only if the person requesting the ruling has provided a
10 reasonably complete statement of facts necessary for the ruling or
11 if the person requesting the ruling has, with the permission of the
12 secretary of state, supplied supplemental facts necessary for the
13 ruling. Within 2 business days after receiving a request for a
14 declaratory ruling, the secretary of state shall make the request
15 available in the manner provided for under subsection (1)(f). An
16 interested person may submit written comments regarding the request
17 to the secretary of state within 10 business days after the date
18 the request is made available to the public. Within 45 business
19 days after receiving a declaratory ruling request, the secretary of
20 state shall make a proposed response available in the manner
21 provided for under subsection (1)(f). An interested person may
22 submit written comments regarding the proposed response to the
23 secretary of state within 5 business days after the date the
24 proposal is made available to the public. Except as otherwise
25 provided in this section, the secretary of state shall issue a
26 declaratory ruling within 60 business days after receiving a
27 request for a declaratory ruling. If the secretary of state refuses
28 to issue a declaratory ruling, the secretary of state shall notify
29 the person making the request of the reasons for the refusal and

1 issue an interpretative statement providing an informational
2 response to the question presented within the 60-day period. A
3 declaratory ruling or interpretative statement issued under this
4 section must not state a general rule of law, other than that which
5 is stated in this act, until the general rule of law is promulgated
6 by the secretary of state as a rule under the administrative
7 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, or under
8 judicial order.

9 (3) Under extenuating circumstances, the secretary of state
10 may issue a notice extending, for not more than 30 business days,
11 the period during which the secretary of state shall respond to a
12 request for a declaratory ruling. The secretary of state shall not
13 issue more than 1 notice of extension for a particular request. A
14 person requesting a declaratory ruling may waive, in writing, the
15 time limitations provided by this section.

16 (4) A person may file with the secretary of state a complaint
17 that alleges a violation of this act. Within 5 business days after
18 a complaint that meets the requirements of subsection (5) is filed,
19 the secretary of state shall notify the person against whom the
20 complaint is filed. The notice must be in writing and include a
21 copy of the complaint. Within 15 business days after the
22 notification, the person against whom the complaint was filed may
23 submit a response to the secretary of state. The secretary of state
24 may extend the period for submitting a response an additional 15
25 business days for good cause. The secretary of state shall send a
26 copy of a response received to the complainant. Within 10 business
27 days after the response is sent, the complainant may submit a
28 rebuttal statement to the secretary of state. The secretary of
29 state may extend the period for submitting a rebuttal statement an

1 additional 10 business days for good cause. The secretary of state
2 shall provide a copy of the rebuttal statement to the person
3 against whom the complaint was filed. If, on review of the
4 complaint, the secretary of state determines that the complaint is
5 frivolous, illegible, indefinite, or unsigned, or does not identify
6 an alleged violator, allege a violation of the act or the rules
7 promulgated under this act, or contain a verification statement,
8 the secretary of state may summarily dismiss the complaint without
9 prejudice. If a complaint is summarily dismissed, the complainant
10 shall be notified in writing as to the reason the complaint was
11 dismissed.

12 (5) A complaint filed under subsection (4) must satisfy all of
13 the following requirements:

14 (a) Be signed by the complainant.

15 (b) State the name, address, and telephone number of the
16 complainant.

17 (c) Include the complainant's certification that, to the best
18 of the complainant's knowledge, information, and belief, formed
19 after a reasonable inquiry under the circumstances, each factual
20 contention of the complaint is supported by evidence. However, if,
21 after a reasonable inquiry under the circumstances, the complainant
22 is unable to certify that certain factual contentions are supported
23 by evidence, the complainant may certify that, to the best of the
24 complainant's knowledge, information, or belief, there are grounds
25 to conclude that those specifically identified factual contentions
26 are likely to be supported by evidence after a reasonable
27 opportunity for further inquiry.

28 (6) A person shall not file a complaint with a false
29 certificate under subsection (5)(c). A person may file a complaint

1 under subsection (4) alleging that another person has filed a
2 complaint with a false certificate under subsection (5)(c).

3 (7) The secretary of state shall investigate allegations
4 brought under this act under the rules promulgated under this act.
5 If an allegation involves the secretary of state, or a spouse or
6 dependent of the secretary of state, the secretary of state shall
7 refer the matter to the attorney general to determine whether a
8 violation of this act occurred.

9 (8) No later than 45 business days after receiving a rebuttal
10 statement submitted under subsection (4) or, if no response or
11 rebuttal is received under subsection (4), 45 business days after
12 receiving a complaint under subsection (4), the secretary of state
13 shall post on the secretary of state's website whether there may be
14 reason to believe that a violation of this act occurred. If the
15 secretary of state determines whether there may be reason to
16 believe that a violation of this act occurred or determines to
17 terminate its proceedings, the secretary of state shall, within 30
18 days after that determination, post on the secretary of state's
19 website any complaint, response, or rebuttal statement received
20 under subsection (4) regarding that violation or alleged violation
21 and any correspondence that is dispositive of that violation or
22 alleged violation between the secretary of state and the
23 complainant or the person against whom the complaint was filed. If
24 the secretary of state determines that there may be reason to
25 believe that a violation of this act occurred, the secretary of
26 state shall endeavor to correct the violation or prevent a further
27 violation by using informal methods such as a conference,
28 conciliation, or persuasion, and may enter into a conciliation
29 agreement with the person involved. Unless violated, a conciliation

1 agreement is a complete bar to any further civil action with
2 respect to matters covered in the conciliation agreement. The
3 secretary of state shall, within 30 days after a conciliation
4 agreement is signed, post that agreement on the secretary of
5 state's website. If, after 90 business days, the secretary of state
6 is unable to correct or prevent further violation by these informal
7 methods, the secretary of state may commence a hearing as provided
8 in subsection (9) for enforcement of this act.

9 (9) The secretary of state may commence a hearing to determine
10 whether a violation of this act occurred. The hearing must be
11 conducted under chapter 4 of the administrative procedures act of
12 1969, 1969 PA 306, MCL 24.271 to 24.288.

13 (10) A final decision or order issued by the secretary of
14 state under this act is subject to judicial review as provided by
15 chapter 6 of the administrative procedures act of 1969, 1969 PA
16 306, MCL 24.301 to 24.306. The secretary of state shall deposit a
17 civil fine imposed under this act in the general fund. The
18 secretary of state may bring an action in circuit court to recover
19 the amount of a civil fine.

20 (11) The secretary of state shall review a report or statement
21 filed under this act and may investigate an apparent violation of
22 this act under the rules promulgated under this act. If the
23 secretary of state determines that there may be reason to believe a
24 violation of this act occurred, the secretary of state may commence
25 a hearing under subsection (9) to determine whether a violation of
26 this act occurred.

27 (12) There is no private right of action, either in law or in
28 equity, under this act. The remedies provided in this act are the
29 exclusive means by which this act may be enforced and by which any

1 harm resulting from a violation of this act may be redressed.

2 (13) The secretary of state may refuse to issue a declaratory
3 ruling under subsection (2) if the request is anonymous, the
4 secretary of state determines that the subject matter of the
5 request is frivolous on its face, or the request is indefinite or
6 lacks specificity. If the secretary of state refuses to issue a
7 declaratory ruling, the person requesting the ruling, if known,
8 shall be notified of the reason for the refusal.

9 Sec. 7. (1) The secretary of state shall provide a copy of a
10 report, or part of a report, required to be filed under this act at
11 a reasonable charge.

12 (2) A report that is made available to the public under this
13 act must not be used for any commercial purpose.

14 (3) The secretary of state shall preserve a report filed under
15 this act for 15 years after the date the report is filed. If the
16 secretary of state or attorney general determines under section 6
17 that a violation of this act occurred, the secretary of state shall
18 preserve all complaints, orders, decisions, or other documents
19 related to that violation for 15 years after the date of the
20 determination or the date the violation is corrected, whichever is
21 later. Reports filed under this act may be reproduced under the
22 records reproduction act, 1992 PA 116, MCL 24.401 to 24.406. After
23 the required preservation period, the reports, or the reproductions
24 of the reports, may be disposed of in the manner prescribed in the
25 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, and
26 section 11 of the Michigan history center act, 2016 PA 470, MCL
27 399.811.

28 (4) The secretary of state shall not charge a fee for the
29 filing of a report under this act, except a late filing fee

1 required by this act.

2 (5) The secretary of state shall determine whether a statement
3 or report filed under this act complies, on its face, with the
4 requirements of this act and the rules promulgated under this act.
5 The secretary of state shall determine whether a statement or
6 report that is required to be filed under this act is in fact
7 filed.

8 (6) A report required to be filed under this act must be filed
9 not later than 5 p.m. of the day it is required to be filed.

10 Sec. 8. (1) A state official who fails to file a report as
11 required under this act shall pay a late filing fee determined as
12 follows:

13 (a) Twenty-five dollars for each of the first 10 business days
14 that the report remains unfiled.

15 (b) Fifty dollars for each business day after the first 10
16 business days that the report remains unfiled.

17 (c) In addition to the late filing fees imposed under
18 subdivisions (a) and (b), \$5,000.00 if the report remains unfiled
19 for more than 105 business days.

20 (2) If a state official required to file a report under this
21 act knowingly files an incomplete or inaccurate report, the state
22 official shall be ordered to pay a civil fine of not more than
23 \$10,000.00.

24 (3) A late filing fee collected under this act must be
25 deposited into the general fund.

26 (4) A late filing fee or civil fine assessed under this act
27 that remains unpaid for more than 180 days must be referred to the
28 department of treasury for collection.

29 Enacting section 1. This act takes effect January 1, 2024.