

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN

SECRETARY OF STATE

STATE TREASURY BUILDING



LANSING
MICHIGAN 48918

Rev. Stanley Carter
Liberty Christian Chapel of Ypsilanti
6130 South Miami
Ypsilanti, Michigan 48197

Dear Reverend Carter:

This is in response to your letter concerning Michigan's new Lobbyist Registration and Reporting Act, 1978 PA 472 ("the Act"), and the proposed administrative rules developed to implement the Act.

In your letter, you questioned whether the Act's prohibition against the giving of gifts would prevent a lobbyist agent from giving a paperback book to a legislative aide. Section 4(1) of the Act defines "gift" to mean anything of value, the value of which exceeds \$25.00 in any one-month period. Thus, if the lobbyist agent gives a single book valued at less than \$25.00 to an aide, and gives nothing else within the next one-month (30-day) period, the agent will not fall within the proscription of the Act.

You also inquire as to whether alcohol (cocktails, beer, and wine) provided to a number of public officials at a "get acquainted" party constituted a gift. I would again draw your attention to section 4(1) of the Act which states that:

"Gift does not include:

* * *

"(d) A breakfast, luncheon, dinner, or other refreshment consisting of food and beverage provided for immediate consumption."

There may, however, be reporting implications stemming from such activities. Section 8(2) of the Act provides that:

"(2) Expenditures for food and beverage provided a public official shall be reported if the expenditures for that public official exceed \$25.00 in any month covered by the report or \$150.00 during that calendar year from January 1 through the month covered by the report. The report shall include the name and the title or office of the public official and the expenditures on that public official for the months covered by the report and for the year. Where more than 1 public official is provided food and beverage and a single check is rendered, the report may reflect the average amount of the check for each public official. If the expenditures are as a result of an event at which more than 25 public officials were in attendance, or, are a result of an event to which an entire standing committee of the legislature has been invited in writing to be informed concerning a bill which has been assigned to that standing committee, a lobbyist or a lobbyist agent shall report the total amount expended on the public officials in attendance for food and beverage and shall not be required to list individually. In reporting those amounts, the lobbyist or lobbyist agent shall file a statement providing a description by category of the persons in attendance and the nature of each event or function held during the preceding reporting period."

You stated in addition, that there appears to be no provision in the rules which require that a lobbyist be notified when a complaint has been filed against him or her. While it is true that the rules themselves contain no such requirement, the Act provides in section 14(2) that:

"Notice shall be given to a person within 5 days after a sworn complaint is filed against a person. Notice shall include a copy of the sworn complaint."

You also asked why registration forms and reporting statements have not yet been provided to lobbyists by the Department of State. Please be advised that the Act, although signed by the Governor, is not yet fully operational. The registration and reporting provisions will be effective only after administrative rules have been formally promulgated. The Department is and has been for some time deeply involved in the rule promulgation process. However, in all likelihood, the Act will not take effect until sometime early next year.

You lastly inquired as to the reporting obligations of lobbyists with "meagre means." The Legislature in the Act anticipated the problems of small and part-time lobbyists and provided an exemption for them. Section 5(4) and

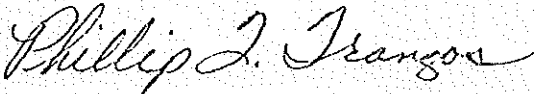
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5(5) of the Act indicate that a lobbyist is a person whose expenditures for lobbying exceed \$1,000.00 a year, or \$250.00 a year if expended on a single public official. The Act also provides that a lobbyist agent is a person who receives compensation or expense reimbursement in excess of \$250.00 in any one-year period. These provisions, when read together, will result in a determination that a number of lobbyists with limited finances do not fall within the purview of the Act.

A copy of this Act is enclosed for your use.

Please note that this response is for informational purposes only and does not constitute a declaratory ruling.

Very truly yours,



Phillip T. Frangos, Director
Office of Hearings and Legislation

PTF/cw

Enc.

cc: Richard H. Austin