

THE MICHIGAN LOBBY REGISTRATION ACT 2024 Reporting Thresholds, Fees and Penalties November 17, 2023

Public Act 83 of 1986 requires the adjustment of the reporting thresholds, fees and penalties provided under the Lobby Registration Act on January 1 of each year to reflect the percentage of change in the consumer price index for Detroit. The thresholds, fees and penalties effective from January 1, 2024 through December 31, 2024 are as follows:

** Please note that many of the 2024 thresholds have increased from the 2023 figures.**

<u>LOBBYIST AGENT</u> – An individual, firm or other type of organization that is compensated or reimbursed to lobby public officials on behalf of an employer or client (refer to Lobbyist below). A person compensated or reimbursed more than \$775.00 during any 12-month period for lobbying must register within 3 calendar days as a Lobbyist Agent. Any person entering into a contract to receive more than this threshold during any 12-month period immediately becomes a Lobbyist Agent. (Note: 2023 threshold was \$725.00.)

<u>LOBBYIST</u> – Typically a corporation, association or any other type of organization that compensates or reimburses a Lobbyist Agent, or other employee, to lobby public officials. Individuals usually meet the definition of a Lobbyist Agent rather than a Lobbyist. A person whose expenditures are more than \$3,075.00 during any 12-month period for lobbying, or who expends more than \$775.00 during any 12-month period to lobby a single public official, must register within 15 calendar days as a Lobbyist. The state, or a political subdivision of the state, becomes a Lobbyist immediately upon contracting for a Lobbyist Agent regardless of the amount spent for lobbying. Any person entering into a contract to exceed these thresholds during any 12-month period immediately becomes a Lobbyist. (Note: 2023 thresholds were \$2,900.00 and \$725.00 respectively.)

<u>FINANCIAL TRANSACTIONS</u> - Transactions of \$1,550.00 or more between a registered Lobbyist or Lobbyist Agent and a public official, a member of a public official's immediate family or a business with which the individual is associated must be reported. (Note: 2023 threshold was \$1,450.00.)

TRAVEL AND LODGING FOR PUBLIC OFFICIALS -Travel and lodging paid for or reimbursed to a public official, in connection with public business, in excess of \$1,000.00 must be reported. (Note: 2023 threshold was \$950.00.)

<u>FOOD AND BEVERAGE FOR PUBLIC OFFICIALS</u> - The name and office or title of each public official on whose behalf more than \$76.00 in food and beverages was purchased during any month, or on whose behalf more than \$475.00 in food and beverages was purchased between January 1 and the close of books for the reporting period, must be reported. (Note: 2023 thresholds were \$72.00 and \$450.00 respectively.)

EMPLOYEES - The name and address of each person employed, compensated or reimbursed by a registrant for lobbying in excess of \$31.00 during any 12-month period must be reported. (Note: 2023 threshold was \$29.00.)

<u>GIFT</u> - A "gift" is defined as a payment, advance, forbearance, or the rendering or deposit of money, services or anything of value, the value of which exceeds <u>\$76.00</u> during any 1-month period. A gift may consist of a single item or multiple goods or services, including tickets to events, that total more than this threshold. <u>Lobbyists and Lobbyist Agents are prohibited from providing "gifts" to public officials.</u> (Note: 2023 threshold was \$72.00.)

EXEMPT EXPENDITURES - Expenditures for lobbying of less than \$16.00 made for goods or services for which a receipt or proof of purchase is not normally available do not have to be reported. (Note: 2023 threshold was \$15.00.)

LATE FILING FEES - A \$31.00 late filing fee will be assessed for each calendar day a required registration or report is late up to a maximum of \$930.00. (Note: 2023 thresholds were \$29.00 and \$870.00 respectively.)

LOBBYING - Under Section 5(2) of the Act lobbying is defined as "communicating directly with an official in the executive branch of state government or an official in the legislative branch of state government for the purpose of influencing legislative or administrative action."

<u>LOBBYABLE PUBLIC OFFICIALS</u> – State level officials, as defined under the Act, who may exercise personal discretion when making a decision concerning legislative or administrative actions, are considered "lobbyable." Under the Act, Section 5(9) defines an official in the legislative branch and Section 5(10) defines an official in the legislative branch. A website containing the names of lobbyable officials is available at: www.michigan.gov/LobbyDisclosure.

<u>FINANCIAL REPORTS</u> – A Financial Report Summary must be filed twice each year by all Lobbyists and Lobbyist Agents <u>even if a registrant has no activities or expenditures to disclose</u> for the reporting period. A required registration or report that is sent by <u>certified or registered mail at least two calendar days before a filing deadline</u> will be considered timely regardless of the date of receipt. Additional information, registration and reporting forms are available at: <u>www.michigan.gov/LobbyDisclosure</u>.

| <u>Report</u> | <u>Filing Deadline</u> | Coverage Dates |
|---------------|------------------------|------------------------|
| Summer Report | September 3 | January 1 – July 31 |
| Winter Report | January 31 | August 1 – December 31 |

Questions? Contact us at:

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If you would like to visit our office or use an overnight delivery service, the address below is provided.

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