

State Law Resource

Michigan: Lobbying Disclosure

Disclosure

These resources are current as of 11/17/20. We do our best to periodically update these resources and welcome any comments or questions regarding new developments in the law. Please email us at advocacy@afj.org.

WHAT'S IN THIS GUIDE

The following changes/additions have been made since the previous version of this guide:

- Updated the reporting thresholds, fees, and penalties provided under Lobby Registration Act.

This guide summarizes key aspects of laws governing lobbying activity on the state level. It is not intended to provide legal advice or to serve as a substitute for legal advice.

In some jurisdictions, city and/or county regulations may also apply to certain political activities. Check with the appropriate local jurisdiction before undertaking any activity.

Nonprofits and nonprofit employees may both need to register and report twice a year with the state of Michigan if they meet the monetary threshold for engaging in direct lobbying legislative or executive branch officials. Details below. For a list of activities and examples comparing Michigan lobbying law to IRS lobbying laws, visit the Council of Michigan Foundations, [Nonprofit Advocacy Michigan Primer](#), page 17.

Contents

Definitions

- Lobbying**
- Types of Lobbyists**
- Other Actors**
- Grassroots Lobbying**
- Expenditures**

Registration

- Registration of Lobbyists**
- Registration of Lobbyist Agents**

Reporting

- Reporting by Lobbyists and Lobbyist Agents**

Termination

- Notice of Termination**

Restrictions

- Time Restrictions on Lobbying**
- Identification of Lobbyists**
- Gifts**
- Entertainment**
- Travel**
- Campaign Contributions**
- Contingency Fees**
- Revolving Door**

Penalties

- Failure to Register**
- Failure to Report**

Contact Information for State and Local Agencies

Definitions

Lobbying

Lobbying is a direct communication with an official in the executive branch or an official in the legislative branch of state government for the purpose of influencing legislative action or administrative action. MCL § 4.415(2).

Lobbying does not include an expert providing empirically verifiable technical data before a legislatively convened committee or executive department panel. MCL § 4.415(2).

INFLUENCING

Promoting, supporting, affecting, modifying, opposing or delaying by any means, including providing or using information, statistics, studies, or analysis. MCL § 4.415(3).

LEGISLATIVE ACTION

Means introduction, sponsorship, support, opposition, consideration, debate, vote, passage, defeat, approval, veto, delay, or an official action by an official in the executive branch or an official in the legislative branch on a bill, resolution, amendment, nomination, appointment, report, or any matter pending or proposed in a legislative committee or either house of the legislature. MCL § 4.415(1).

ADMINISTRATIVE ACTION

Means the proposal, drafting, development, consideration, amendment, enactment, or defeat of a nonministerial action or rule by an executive agency or an official in the executive branch of government. MCL § 4.412(1).

Types of Lobbyists

LOBBYIST

Includes any of the following:

- A person (including an organization, group or other entity) that spends more than \$2,575¹ on lobbying in any 12-month period;
- A person (including an organization, group or other entity) whose lobbying expenditures total more than \$650 for any 12-month period, if the amount is expended to lobby a single public official;

¹ Note that these thresholds are updated every year. These are the 2021 thresholds, available at https://www.michigan.gov/documents/sos/LobbyThresholds_508882_7.pdf ("2021 Thresholds").

- For the purpose of subdivisions (a) and (b), groups of 25 or more people shall not have their personal expenditures for food, travel, and beverage included, providing those expenditures are not reimbursed by a Lobbyist or Lobbyist Agent;
- The state or a political subdivision which contracts for a Lobbyist Agent. MCL § 4.415(4).

LOBBYIST AGENT

A person (including an organization, group or other entity) that receives more than \$650 in compensation or reimbursement for lobbying, on behalf of employers or clients, in any 12-month period. MCL § 4.415(5).

Nonprofits lobbying in Michigan should be aware that the terms are different than what the organizations may encounter in other states. In Michigan, an organization that spends funds on lobbying is a “Lobbyist,” and an individual or firm that receives compensation for lobbying on behalf of the organization is a “Lobbyist Agent.” See MCL § 4.415(4)-(5).

The law includes an exception to the definitions of “Lobbyist” and “Lobbyist Agent” to exclude the news media and government officials. See MCL § 4.415(7).

The Michigan Lobby Registration Act does not apply to churches and religious institutions. *Pletz v Secretary of State*, 336 N.W.2d 789 (Mich. 1983).

Other Actors

OFFICIAL IN THE EXECUTIVE BRANCH

Includes the governor, lieutenant governor, secretary of state, attorney general; individuals in the executive branch of state government who are not under civil service; and certain directors and deputy directors. This term includes individuals who have been elected, appointed or nominated to a covered position but who have not yet taken office. The term does not include a person serving in a clerical, nonpolicy-making, or non-administrative capacity. MCL § 4.415(9).

OFFICIAL IN THE LEGISLATIVE BRANCH

Includes a member of the legislature, the auditor general, the deputy auditor general, an employee of the consumer’s council, the director of the legislative retirement system, or any other employee of the legislature other than an individual employed by the state in a clerical or nonpolicy-making capacity. MCL § 4.415(10).

Grassroots Lobbying

Michigan does not regulate or separately define “grassroots lobbying.” Only direct communications with elected officials fall within the definition of “lobbying.”

However, expenditures on advertising and mass mailings, when conducted as part of a direct lobbying campaign, must be reported. MCL § 4.418(1).

Expenditures

Expenditures include:

- A payment made to influence legislative or administrative action.
- Actual expenses for lobbying (excluding travel) received as an advance or reimbursement.
- An expenditure for providing studies, data or information used in communicating directly with a public official that would not have been incurred but for the activity of communicating directly.
- A payment made on behalf of a public official for the purpose of influencing legislative or administrative action.

Certain expenses are excluded as expenditures such as the cost of travelling to a public official, fringe benefits, and others outlined in the [Michigan Lobbying Manual](#).

Registration

Registration of Lobbyists

DEADLINES

Any person who exceeds the 12-month thresholds listed for expenditures (see definition of “Lobbyist,”) must register within 15 calendar days. MCL § 4.417(1).

Any person may meet the definition of a Lobbyist, by entering into any type of agreement or contract that exceeds the 12-month thresholds, before the amount for lobbying is actually expended. See MICH. ADMIN. CODE R. 4.412.

REGISTRATION FORM

Lobbyists must use a paper Lobby Registration form and must submit any amendments to the registration via paper form. The registration forms cannot be filed electronically at this time.

DISCLOSURES

The registration must contain the following information:

- The individual or organization’s name and office address;
- The name and address of each person employed, reimbursed for expenses over \$26 during any 12-month period, or compensated by the individual or organization for lobbying in Michigan (organizations must include only those individuals who are directly compensated or reimbursed in excess of the current thresholds, and these individuals must themselves register as Lobbyist Agents;

- Employees engaged only in clerical, research or other activities to support the organization’s lobbying activities need not register if they do not engage in direct contact with public officials;

- The name, address and nature of business of a person who gives compensation to or reimburses the Lobbyist or the representative of a Lobbyist for lobbying;
- and the fiscal year of the Lobbyist. MCL § 4.417(1).

UPDATING REGISTRATION

Organizations must update this employee list on the Financial Report Summary forms they are required to submit annually by August 31 and January 31. MCLS § 4.418(1).

RENEWING REGISTRATION

A Lobbyist remains registered continuously until it files a termination statement, as described.

FEE

There is no fee to register or to renew a registration.

Registration of Lobbyist Agents

DEADLINES

Any person who exceeds the 12-month thresholds listed for a Lobbyist Agent must register within 3 calendar days. MCL § 4.417(2).

A person may meet the definition of a Lobbyist Agent, by entering into any agreement or contract that exceeds the 12-month thresholds, before compensation or reimbursement for lobbying is actually received. See MICH. ADMIN. CODE R. 4.412.

A Lobbyist Agent must file a separate registration form for each new client whose compensation or reimbursement to the agent exceeds the registration threshold.

DISCLOSURES

The registration must contain the following information:

- The name and office address of the Lobbyist Agent, if the Lobbyist Agent is not an individual;
- The name, permanent residence address, and office address of the Lobbyist Agent, if the Lobbyist Agent is an individual;
- The name and address of each person employed, reimbursed for expenses which exceed \$650, or compensated by the Lobbyist Agent for lobbying in Michigan in excess of \$650; and
- The name, address, and nature of business of a person who pays or reimburses the Lobbyist Agent or the representative of a Lobbyist Agent for lobbying. MCL § 4.417(2).

In addition, any individual who is compensated or reimbursed for lobbying over the Lobbyist Agent threshold must register within 3 calendar days by submitting a separate Lobbyist Agent registration form to the Michigan Secretary of State. These people must submit an individual Financial Report Summary form on August 31 and January 31 each year. MCL § 4.418(1).

RENEWING REGISTRATION

A Lobbyist remains registered continuously until it files a termination statement, as described.

FEE

There is no fee to register or to renew a registration.

Reporting

Reporting by Lobbyists and Lobbyist Agents

Identical reporting requirements are imposed on Lobbyists and Lobbyist Agents.

Each Lobbyist and Lobbyist Agents must submit a Financial Report Summary every August 31 and January 31, even if the registrant has no activities or expenditures to disclose for the reporting period. MCL § 4.418(1).

The report filed on January 31 must cover the all activities from the preceding August 1 through December 31. The report filed on August 31 must include all activities occurring during the immediately preceding January 1 through July 31.

DEADLINE EXTENSIONS

A Lobbyist or a Lobbyist Agent may request from the Secretary of State an extension of the deadline for filing of no more than 60 days. The Secretary of State may approve or deny any extension, and shall respond in writing to the request within 9 days. MCL § 4.418(1).

The Financial Report Summary must categorize the expenditures made by each Lobbyist, Lobbyist Agent, or representative of a Lobbyist. The report must state the total expended in each category during the preceding reporting period and the cumulative year-to-date amount expended in each category.

Expenditures must be reported in the following categories:

- Food and beverages provided for public officials;
- Advertising and mass mailings directly related to lobbying; and
- Other expenditures, except for expenditures of less than \$13 made for goods or services for which a receipt or proof of purchase is not normally available.

Each of the above expenditures must be reported broadly as per-category totals on the Financial Report Summary. If any expenditure meets one of the three thresholds below, however, they must also be reported on an Itemized Expenditure Form.

The following expenditures must be itemized:

- any financial transactions of \$1,300 or more;
- all travel and lodging expenditures for public officials in excess of \$850; and
- food and beverage expenditures for individual public officials in excess of \$64 per month or \$400 between January 1 and the end of the reporting period.

The report must include:

- A brief description of the lobbying activities engaged in during the previous reporting period;
- Financial transactions of \$1,300 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;
- Travel and lodging paid for or reimbursed to a public official, in connection with public business, in excess of \$850. The account must include the date and nature of the transaction, the parties to the transaction, and the amount involved in the transaction. The Lobbyist or Lobbyist Agent must send, simultaneously with the filing of the report to the secretary of state, a copy of this report to the affected legislator; and
- The name and office or title of each public official on whose behalf more than \$64 in food and beverages was purchased during any month, or on whose behalf more than \$400 in food and beverages was purchased between January 1 and the end of the reporting period. MCL § 4.418(1).

In 1983, the Michigan Court of Appeals invalidated segments of the Michigan Lobbying Act that required Lobbyists and Lobbyist Agents to disclose the identities of persons who contribute to their lobbying organizations. *Pletz v. Secretary of State*, 336 N.W.2d 789 (Mich. Ct. Appeals 1983).

Michigan offers an electronic filing program, E-Lobby, for filing of Lobby Financial Report and Lobby Expenditure forms. These forms may also be amended electronically by using the E-Lobby system. This system does not enable user to file registration forms – those continue to be required to be filed in paper form.

Termination

Notice of Termination

A Lobbyist must file a notice of termination with the Secretary of State within 30 days after the person or entity stops lobbying. Termination does not relieve the Lobbyist of the reporting requirements for that reporting period. MCL § 4.417(4).

Restrictions

Time Restrictions on Lobbying

There are no time restrictions on lobbying.

Identification of Lobbyists

Lobbyists are not required to wear a badge or other identification at the Capitol or elsewhere.

That many states' rules on gifts, travel and other benefits provided to public officials are extremely complex. The laws outlined below are only summaries of some of the more commonly encountered issues; organizations and lobbyists are advised to consult with legal counsel for a complete analysis of their proposed activities before giving gifts or other benefits to officials.

Gifts

A Lobbyist, a Lobbyist's Agent, or anyone acting on behalf of the Lobbyist or Lobbyist's agent may not give any gift or loan to a public official. MCL § 4.421(2).

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 \$64 during any one-month period. A gift may consist of a single item or multiple goods or services, including tickets to events, totaling more than this threshold. A gift also includes contribution to the defense of a legislative or executive branch official against a legal action not directly related to the governmental duties of that official. MCL § 4.414(1).

"Public Official" is defined as an "official in the executive or legislative branch of state government" (as otherwise defined in the Act). MCL § 4.416(2).

Gifts are not reported on the Financial Report Summary or an Itemized Expenditure form.

Entertainment

The prohibition on "gifts" extends to cover tickets to events.

The gift ban does not, however, extend to meals, receptions or other food and beverages provided for immediate consumption. MCL § 4.414(1)(d). The costs associated with providing meals or other food must be reported by a Lobbyist or Lobbyist Agent. MCL § 4.418(1).

Travel

A Lobbyist or Lobbyist Agent may pay for a public official's travel for public business, but any costs in excess of \$850 must be disclosed on the Itemized Expenditure form. The travel costs also may include paying for the public official's immediate family. MCL § 4.418(1).

Payment for a public official's other travel by a Lobbyist or Lobbyist Agent is only permissible where the public official provides consideration of equal or greater value. The consideration may be an appearance, speech, article, participation in a panel or seminar, or a similar activity that is connected to public business or the performance of official duties. See Secretary of State Declaratory Letter 1-90-LI (March 8, 1990).

Such costs may also have to be reported as a financial transaction. MCL § 4.418(1).

Campaign Contributions

Lobbyists may make contributions to Michigan candidates, consistent with the limits referenced in MCL § 4.414(1)(a).

Contingency Fees

Expenditures or compensation contingent upon the outcome of a legislative or administrative action are prohibited under Michigan Law. MCL § 4.421(1).

Revolving Door

A member of the Michigan Senate or House of Representatives may not lobby during the remainder of the term from which that person resigned. MCL § 4.416a(1). Officials who lose an election or retire at the end of their term may lobby in the following legislative session.

Activity	Regulated by State? (Y/N)	Statutory Citation
Lobbying by Former Officials	Yes	MCL § 4.416a
Limits on Lobbyists' Gifts to Officials	Yes	MCL §§ 4.421(2), 4.414(1)
Hospitality Provided to Officials	Yes	MCL § 4.421(2),(4)
Trips Organized by Lobbyists	Yes	MCL § 4.418(1)
Preservation of Accounts, Bills, Receipts, and Documents	Yes	MCL § 4.419

Penalties

Failure to Register

A Lobbyist or Lobbyist Agent who fails to register must pay a late registration fee of \$26 for each day the person or entity remains not registered in violation of MCL § 4.417. The fine will not exceed \$780, unless the person fails to register for more than 30 days. MCL § 4.417(3). A person who fails to register for more than 30 days is guilty of a misdemeanor and may be fined up to \$1,000. MCL § 4.417(3).

Failure to Report

A Lobbyist or Lobbyist Agent who, without good cause, fails to report under MCL § 4.418(1), must pay a late filing fee of \$26 for each day the report remains unfiled. The fine will not exceed \$780, unless the person fails to report for more than 30 days. A person who without good cause fails to file for more than 30 days is guilty of a misdemeanor, punishable by a fine of not more than \$1,000. MCL § 4.418(3).

Contact Information for State and Local Authorities

Secretary of State and the Bureau of Elections:
Michigan Department of State
Bureau of Elections
PO Box 20126
Lansing, MI 48901-0726

Overnight/Express Deliveries:
Michigan Department of State
Bureau of Elections
Richard H. Austin Building - First Floor
430 W. Allegan
Lansing, MI 48918

You May Also Contact the Bureau By:

Phone: (517) 373-2540

Fax: (517) 241-4785

County Clerk Search: <https://webapps.sos.state.mi.us/mivote/ClerkSearch.aspx>

Website: www.michigan.gov/sos

Originally Written By

Jocelyn Benson in 2007

This Edition Was Revised in 2020 By

Dykema Gossett, PLLC
201 Townsend St, Suite 900
Lansing, MI 48933
Phone: (517) 374-9100
Fax: (517) 347-9191

© Copyright 2020. These materials are copyrighted and may not be reproduced without permission.

FOR FURTHER ASSISTANCE

For assistance regarding these resources or for more information about federal law, please contact our attorney one-on-one counseling service:

Email: advocacy@afj.org

Telephone: 1-866-NPLOBBY
(675-6229)