

# Legislative Analysis



## CAMPAIGN FINANCE VIOLATIONS

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

**House Bill 4703 as introduced**  
**Sponsor: Rep. Lynn Afendoulis**  
**Committee: Elections and Ethics**  
**Complete to 11-6-19**

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

### SUMMARY:

House Bill 4703 would amend the Michigan Campaign Finance Act to set a base civil fine amount for a person entering into a conciliation agreement with the Michigan Secretary of State (SOS) or a person found to be in violation of the act.

If, in the course of an investigation of a suspected violation, the SOS determines that a violation of Michigan campaign finance law may have occurred, the act charges the SOS with endeavoring to correct the violation or prevent a future violation by using informal methods such as a conference, conciliation, or persuasion, and allows the SOS to enter into a conciliation agreement. The bill would provide that, if the SOS entered into a conciliation agreement with a person, any civil fine imposed in the agreement against the person would have to be at least 25% of the amount of the improper contribution or expenditure.

Likewise, the SOS may commence a hearing to determine if a violation has occurred. Under the bill, if a violation had occurred, the SOS could issue an order requiring a civil fine of at least 25% of the improper contribution or expenditure.

MCL 169.215

### FISCAL IMPACT:

House Bill 4703 would have an indeterminate fiscal impact on the state and could have a fiscal impact on local court funding units. The fiscal impact on the state could be an increase in state general fund revenue, and would depend on the number of individuals ordered to pay civil fines. Under section 15(12) of the Michigan Campaign Finance Act, the Secretary of State is required to deposit revenue from civil fines imposed under the bill into the state's general fund. In the same section, the Secretary of State is authorized to bring an action in circuit court to recover the amount of civil fines imposed. Costs could be incurred depending on how caseloads in circuit courts were affected, as well as related administrative costs.

The bill would have no fiscal impact on the Department of State.

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