

**SUBSTITUTE FOR  
HOUSE BILL NO. 5585**

A bill to amend 2023 PA 281, entitled  
"Public officers financial disclosure act,"  
by amending sections 3 and 7 (MCL 15.703 and 15.707).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 3. As used in this act:

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

4           (b) "Department" means the department of state.

5           (c) "Earned income" means salaries, wages, tips, bonuses,  
6 commissions, or other compensation or earnings from employment  
7 earned during the reporting period.

8           (d) "Form" means the financial disclosure form created by the  
9 department in accordance with section 11.



1 (e) "Gift" means that term as defined in section 7 of the  
2 Michigan campaign finance act, 1976 PA 388, MCL 169.207.

3 (f) "Honorarium" means that term as defined in section 7 of  
4 the Michigan campaign finance act, 1976 PA 388, MCL 169.207.

5 (g) **"Immediate family" means a parent, child, sibling, or  
6 spouse of a public officer or a relative of any degree residing in  
7 the same household as that public officer.**

8 (h) ~~(g)~~—"Liabilities" means what a person owes to another  
9 person, including, but not limited to, mortgages or other debts.  
10 For purposes of this act, a debt does not include a revolving debt,  
11 an unsecured debt that is from a financial institution or the  
12 federal government, or a debt owed by a business entity.

13 (i) ~~(h)~~—"Lobbyist" means that term as defined in section 5 of  
14 1978 PA 472, MCL 4.415.

15 (j) ~~(i)~~—"Lobbyist agent" means that term as defined in section  
16 5 of 1978 PA 472, MCL 4.415.

17 (k) ~~(j)~~—"Spouse" means an individual who is lawfully married  
18 to a public officer as described under 26 CFR 30.7701-18.

19 (l) ~~(k)~~—"Public officer" means all of the following:

20 (i) A state representative.

21 (ii) A state senator.

22 (iii) The attorney general.

23 (iv) The governor.

24 (v) The lieutenant governor.

25 (vi) The secretary of state.

26 (m) ~~(l)~~—"Report" means the financial disclosure report required  
27 under section 10 of article IV of the state constitution of 1963.

28 (n) ~~(m)~~—"Reporting period" means the preceding calendar year.

29 (o) ~~(n)~~—"Unearned income" means income that is not earned from



1 employment, including, but not limited to, financial prize,  
2 unemployment benefits, annuities, stock dividends, deferred  
3 compensation, pension, profit sharing, or retirement income.  
4 Unearned income does not include inheritance money or a familial  
5 gift.

6 Sec. 7. (1) A report required under section 5 must include a  
7 complete statement of all of the following:

8 (a) The full name, mailing address, telephone number, and  
9 email address of the public officer.

10 (b) The name and address of the public officer's employer and  
11 the positions held during the reporting period, if the public  
12 officer receives \$1,000.00 or more in annual income from each  
13 position.

14 (c) The name of the spouse of the public officer, the  
15 occupation of the public officer's spouse, and the name of the  
16 employer or employers of the public officer's spouse.

17 (d) Whether the public officer's spouse **or immediate family**  
18 **member** was registered as a lobbyist or lobbyist agent under 1978 PA  
19 472, MCL 4.411 to 4.431, during the reporting period.

20 (e) A list of all positions currently held as an officer,  
21 director, trustee, partner, proprietor, representative, employee,  
22 or consultant of any organization, corporation, firm, partnership,  
23 or other business enterprise, nonprofit organization, labor  
24 organization, or educational or other institution other than this  
25 state. If this subdivision applies, the public officer shall  
26 include the name of the organization. For purposes of this  
27 subdivision, positions held in any religious, social, fraternal, or  
28 political entity, or positions that are solely of an honorary  
29 nature, are excluded.



1 (f) The source of earned income received during the reporting  
2 period by the public officer. For purposes of this subdivision, the  
3 public officer ~~must~~**shall** report each source of income received  
4 during the reporting period that is \$1,000.00 or more.

5 (g) Except as otherwise provided in this subdivision, a list  
6 of each asset, excluding a business asset, held for investment or  
7 production of income with a fair market value of \$1,000.00 or more  
8 during the reporting period and any sources of unearned income that  
9 exceed \$200.00 during the reporting period. The fair market value  
10 for the purpose of listing each asset, excluding a business asset,  
11 held for investment or production of income under this subdivision  
12 must be adjusted for inflation every 4 years using the Detroit  
13 Consumer Price Index, and rounded up to the nearest \$1,000.00.

14 (h) A list of all liabilities that exceed \$10,000.00 owed by  
15 the public officer to a creditor at any time during the reporting  
16 period.

17 (i) Except as otherwise provided in this subdivision, a list  
18 of any stocks, bonds, or other forms of securities held by the  
19 public officer or held jointly with the public officer's spouse **or**  
20 **immediate family member** during the reporting period, if the  
21 security has a total aggregate fair market value of \$1,000.00 or  
22 more. The fair market value for the purpose of listing stocks,  
23 bonds, or other forms of securities under this subdivision must be  
24 adjusted for inflation every 4 years using the Detroit Consumer  
25 Price Index, and rounded up to the nearest \$1,000.00. For purposes  
26 of this act, a public officer is not required to disclose a stock  
27 in a widely held investment fund, including, but not limited to, a  
28 mutual fund, regulated investment company, pension or deferred  
29 compensation plan, or other investment fund, if both of the



1 following apply:

2 (i) Either the fund is publicly traded or the assets of the  
3 fund are widely diversified.

4 (ii) The public officer or the public officer's spouse **or**  
5 **immediate family member** does not exercise control over or have the  
6 ability to exercise control over the financial interests held by  
7 the fund.

8 (j) A list of any real property in which the public officer  
9 holds an ownership or other financial interest. For purposes of  
10 this subdivision, the public officer is required to include a real  
11 property in the report only if that real property has a fair market  
12 value of \$1,000.00 or more during the reporting period. A public  
13 officer filing a report may exclude the street number of a parcel  
14 of real property under this subdivision.

15 (k) The date **of**, identity of parties to, and general terms of  
16 any agreements or arrangements with respect to future employment, a  
17 leave of absence while serving as a public officer, continuation or  
18 deferral of payments by a former or current employer other than  
19 this state, or continuing participation in an employee welfare or  
20 benefit plan maintained by a former employer. As provided in  
21 section 8, there is an ongoing duty to report any agreement or  
22 arrangement entered into by a public officer after the filing  
23 deadline described in section 5(2).

24 (l) A list of all gifts received and reported by a lobbyist or  
25 lobbyist agent under state law.

26 (m) A list of all travel payments received and reported by a  
27 lobbyist or lobbyist agent under state law.

28 (n) **A list of all travel payments received from a person that**  
29 **is not a lobbyist, a lobbyist agent, a spouse, a parent-in-law,**



1 sibling-in-law, or child-in-law that does not reside in the same  
2 household as that public officer, or an immediate family member.

3 (o) A list of all tickets for concerts, sporting events, or  
4 other entertainment received and reported by a lobbyist or lobbyist  
5 agent under state law.

6 (p) A list of all tickets for concerts, sporting events, or  
7 other entertainment received from a person that is not a lobbyist,  
8 a lobbyist agent, a spouse, a parent-in-law, sibling-in-law, or  
9 child-in-law that does not reside in the same household as that  
10 public officer, or an immediate family member.

11 (q) ~~(n)~~—A list of each payment made by a lobbyist or lobbyist  
12 agent to a charity in lieu of honoraria.

13 (r) ~~(e)~~—If applicable, a statement indicating that the public  
14 officer or the public officer's spouse **or immediate family member**  
15 is a registered vendor with this state, has a majority interest in  
16 a company that is a registered vendor with this state, or is  
17 employed by a company that is a registered vendor with this state.  
18 If the public officer or the public officer's spouse **or immediate**  
19 **family member** is a registered vendor with this state or has a  
20 majority interest in a company that is a registered vendor with  
21 this state, the public officer shall include the name of the  
22 company and a description of all contracts entered into with this  
23 state by the public officer, public officer's spouse **or immediate**  
24 **family member**, or company in which the public officer or public  
25 officer's spouse **or immediate family member** has a majority interest  
26 during the reporting period. If the public officer or public  
27 officer's spouse **or immediate family member** is employed by a  
28 company that is a registered vendor with this state, the public  
29 officer shall include the name of the company and a description of



1 all contracts entered into with this state that the public officer  
 2 or the public officer's spouse **or immediate family member directly**  
 3 worked on ~~directly~~ during the reporting period.

4 **(s) A list and description of all conferences, training**  
 5 **sessions, or other meetings attended by a public officer where the**  
 6 **cost of attendance was paid by a lobbyist or lobbyist agent.**

7 (2) A public officer is not required to disclose the value of  
 8 any real property or property disclosed under subsection (1).

9 (3) If a public officer required to file a report under ~~this~~  
 10 section 5 holds a beneficial interest in a blind trust, the public  
 11 officer is not required to include the interests or assets of the  
 12 blind trust in the report. However, the public officer ~~must~~ **shall**  
 13 indicate in the public officer's report that the public officer  
 14 holds a beneficial interest in a blind trust. ~~For purposes of As~~  
 15 **used in** this subsection, ~~beneficial~~ **"beneficial interest"** includes,  
 16 but is not limited to, the interest in a trust of a qualified trust  
 17 beneficiary or trust beneficiary as those terms are defined under  
 18 section 7103 of the estates and protected individuals code, 1998 PA  
 19 386, MCL 700.7103.

20 (4) A report required under section 5 must include the  
 21 following certification: "I certify that the statements I have made  
 22 on this financial disclosure form are true, complete, and correct  
 23 to the best of my knowledge and belief, and that I have not moved  
 24 assets during the reporting period for the purpose of avoiding  
 25 disclosure under the public officers financial disclosure act".

26 Enacting section 1. This amendatory act does not take effect  
 27 unless House Bill No. 5584 of the 102nd Legislature is enacted into  
 28 law.

