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House Bill 4420 (Substitute S-3 as reported by the Committee of the Whole)

Sponsor: Representative Tom Kunse House Committee: Appropriations Senate Committee: Appropriations

CONTENT

The bill would amend the Management and Budget Act to prescribe the public disclosure form for legislatively directed spending items (LDSIs), sometimes referred to as 'earmarks'. The bill would require the form to include the following information:

- -- LDSI information: the sponsoring legislator's name, cosponsors, intended grant recipient, the recipient's physical address and intended location of the project or activity, amount requested, purpose, how the grant would provide a public benefit that was an appropriate use of taxpayer money, whether the grant recipient had received any other types of funding in the previous five years (and if so, how much), and the project's estimated completion time.
- -- Additional information required of nonprofit corporations, namely that a nonprofit had continuously operated in Michigan for at least the preceding 36 months, had a physical office in Michigan for at least a year, and had a board of directors (with a listing of all officers and active members on the board).
- -- Certification by sponsoring legislator. This information would certify that the legislator, his or her immediate family, or staff would have no pecuniary interest in the grant. Further, the certification would have to attest that the recipient was a non-profit and that the knowledge was true.

Under the bill, "legislatively directed spending item" would mean an that term as defined under Section 364 (see Senate Bill 596). The bill also would define "immediate family member", "legislator", "nonprofit corporation", and "staff member".

The bill is tie-barred to Senate Bill 596.

Proposed MCL 18.1364a

FISCAL IMPACT

The bill would have no fiscal impact on State or local units of government.

Date Completed: 10-21-25 Fiscal Analyst: Kathryn Summers