

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN

SECRETARY OF STATE

STATE TREASURY BUILDING



LANSING

MICHIGAN 48918

March 29, 1978

Mr. Steven R. Bartholomew, Treasurer  
McCollough-Michigan Committee  
P.O. Box 10039  
Lansing, Michigan 48901

Dear Mr. Bartholomew:

This is in response to your letter requesting an interpretation from the Department concerning the legality of certain expenditures which the McCollough-Michigan Committee is planning to make from public funds received pursuant to P.A. 388 of 1976 ("the Act"). In terms of the Act, you ask whether intended expenditures will constitute "qualified campaign expenditures" as defined and limited in Section 66 of the Act (MCLA § 169.226).

The expenditures for which you wish to apply public monies are costs incurred in polling and graphics, consulting fees and expenses related to polling, computer services, fees and expenses for fundraising consultants, printing costs, and the purchase of television production equipment. As to the latter, it is the Department's understanding you intend to sell the equipment when you have no further need for it.

The Department is of the opinion the above enumerated expenditures, as described in your letter, constitute qualified campaign expenditures as provided in the Act. However, it should be noted the Act defines qualified campaign expenditure as not including a portion of any salary or wage to an individual in excess of \$2,000.00 per month.

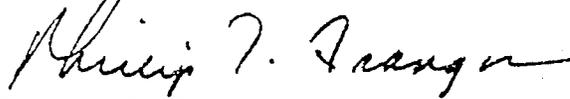
With respect to the television production equipment, upon selling the equipment the proceeds should be returned to the candidate's public funding account. Retention of the equipment or proceeds from the sale of the equipment would violate the provisions of the Act.

Further, it should be noted that payment received from the state campaign fund for expenditures in the primary may not be used for expenditures in the general election. This requirement is imposed by Section 66 which states "Payment received from the state campaign fund for expenditures in one election shall not be used for expenditures in a subsequent election."

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In view of the fact your letter was general in nature and lacked the specificity required by Section 63 of the Michigan Administrative Procedures Act (MCLA § 24.263) which establishes the criteria for requesting and issuing a declaratory ruling, this response may be considered as informational only and not as constituting a declaratory ruling.

Very truly yours,

A handwritten signature in cursive script, reading "Phillip T. Frangos". The signature is written in black ink and is positioned above the typed name and title.

Phillip T. Frangos, Director  
Office of Hearings and Legislation

PTF:pk