



April 6, 1978

Honorable Robert Holmes Bell
Michigan District Judges Association
407 N. Cedar Street
Mason, Michigan 48884

Dear Judge Bell:

This is in response to your request for a declaratory ruling concerning the applicability of the Campaign Finance Act, P.A. 388 of 1976 ("the Act"), to the Michigan District Judges Association.

The facts you present concerning the Association's activities are limited. In a September 12, 1977, letter to Glorietta Hill of the Department's staff, you state the Association has from time to time purchased fundraising tickets for benefits sponsored by committees established by state legislators. You indicate in a November 8, 1977, letter to John T. Turnquist, also a member of the Department's staff, the Association does not in any form attempt to influence the actions of voters in any matter concerning a candidate or any ballot proposal.

Section 63 of the Michigan Administrative Procedures Act (MCLA § 24.263), which established the criteria for requesting and issuing a declaratory ruling, requires a person requesting a ruling to accompany the request with a precise statement of facts. The lack of information accompanying your inquiry precludes a response by the Department at this time to your request for a declaratory ruling. However, several sections of the Act are directed to your attention.

Section 4 of the Act defines "contribution" as "a payment, gift, subscription, assessment, expenditure, contract, payment for services, dues, advance, forbearance, loan, donation, pledge or promise of money or anything of ascertainable monetary value, whether or not conditional or legally enforceable, or a transfer of anything of ascertainable monetary value to a person, made for the purpose of influencing the nomination or election of a candidate, or for the qualification, passage, or defeat of a ballot question." The provision proceeds to state "Contribution includes the purchase of tickets or payment of an attendance fee for events such as dinners, luncheons, rallies, testimonials, and similar fund raising events..."

Section 6 of the Act (MCLA § 169.206) defines "expenditure" as "a payment, donation, loan, pledge, or promise of payment of money or anything of ascertainable monetary value for goods, materials, services, or facilities in assistance of, or in opposition to, the nomination or election of a candidate, or the qualification, passage, or defeat of a ballot question." This provision also states that "Expenditure includes a contribution or a transfer of anything of ascertainable monetary value for purposes of influencing the nomination or election of any candidate..."

"Committee" is defined in Section 3 of the Act (MCLA § 169.203) as "a person who receives contributions or makes expenditures for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of a candidate, or the qualification, passage, or defeat of a ballot question, if contributions received total \$200.00 or more in a calendar year or expenditures made total \$200.00 or more in a calendar year. An individual, other than a candidate, shall not constitute a committee."

Section 3 indicates an elected officeholder is a candidate for reelection to the same office for purposes of the Act. Section 21 of the Act (MCLA § 169.221) requires a candidate to form a committee and designate an official depository into which all receipts for his or her campaign must be deposited, and from which all campaign disbursements must be withdrawn.

In view of the foregoing definitions, the purchase of a ticket to a fundraiser sponsored by the candidate committee of a state legislator is a contribution to the candidate committee made for the purpose of influencing the legislator's reelection. The recipient candidate committee must report the ticket purchase as a contribution pursuant to the provisions of Section 26 of the Act (MCLA § 169.226).

An organization which purchases tickets to fundraisers sponsored by legislators' candidate committees is itself a committee for purposes of the Act provided such expenditures total \$200.00 or more in a calendar year. As a committee, the organization must report the purchase of tickets as an expenditure consistent with the reporting requirements of Section 26.

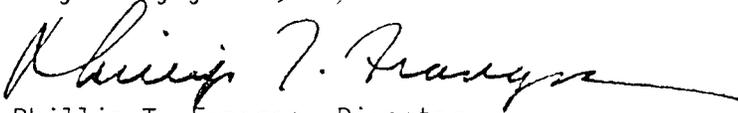
Monies received by the organization from its individual members must be identified as to source only with respect to that portion which is used by the organization for expenditures pursuant to the Act. Section 26 requires the reporting committee to identify in total amount those contributions to it of \$20.00 or less. The makers of individual or aggregate contributions exceeding \$20.00 must be identified as to name, street address, amount contributed, date on which each contribution was received by the committee, and cumulative amount contributed for the election covered by the report. The Act requires the occupation, employer, and principal place of business to be stated for each maker of an individual or aggregate contribution in excess of \$200.00. Section 26 imposes several additional reporting requirements.

Honorable Robert Holmes Bell
Page Three

An individual member of a committee who makes a contribution to the committee is not himself or herself a committee solely by virtue of the contribution, even though it may total \$200.00 or more in a calendar year. Section 3, quoted previously, expressly indicates an individual, other than a candidate, shall not constitute a committee.

As indicated previously, 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