

M I C H I G A N D E P A R T M E N T O F S T A T E

RICHARD H. AUSTIN

SECRETARY OF STATE

STATE TREASURY BUILDING



LANSING

MICHIGAN 48918

June 3, 1982

Mark L. Heinen
Gregory, Van Lopik, Moore & Jeakle
2142 First National Building
Detroit, Michigan 48226

Dear Mr. Heinen:

This is in response to your request for an interpretative statement with respect to whether the Campaign Finance Act (the "Act"), 1976 PA 388, as amended, permits a committee administered by a labor union to utilize the same account for making contributions to both federal and state candidates as well as how such activity must be reported.

Specifically, you ask the following:

"Under the Campaign Finance Act, is the described labor union federal PAC prohibited from making a contribution, out of its single account, directly to the Candidate Committee of a candidate running for Michigan state or local elective office?

If not prohibited, would making such a contribution result in all activity within the federal PAC's single account (activity in connection with non-Michigan as well as Michigan elections) being made reportable under the Campaign Finance Act? If not all activity would be made reportable, would only such contribution(s) as are made to Candidate Committees of Michigan state or local candidates be made reportable?"

In a telephone conversation subsequent to your letter you indicated that the committee has a depository in Michigan and a treasurer who is a qualified elector in this state. Therefore, the requirements of section 21 (MCL 169.221) will not specifically be addressed in this letter.

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Section 3(4) of the Act (MCL 169.203) defines any entity other than an individual that receives contributions or makes expenditures of \$200.00 in a calendar year as a committee. Subsequent sections of the Act require committees to file with the appropriate filing official. In the case of your client, filing as a political committee or an independent committee would appear to be the appropriate type of filing. The filing requirements are detailed in sections 24, 25, and 26 of the Act (MCL 169.224, 169.225 and 169.226). Filing dates for campaign statements are detailed in sections 33 and 35 of the Act (MCL 169.233 and 169.235).

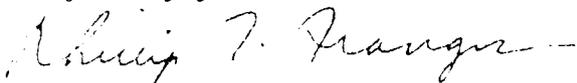
The Act does establish limitations on expenditures by some types of committees. For example, ballot question committees are by definition prohibited from making contributions or expenditures for the purpose of influencing the nomination or election of a candidate (MCL 169.202). Limitations on expenditures by candidate committees were outlined in the attached interpretative statement issued to Senator Mitch Irwin on May 29, 1979. Corporate separate segregated funds are limited by section 55(1) to making expenditures to and on behalf of candidate, ballot question, political party, and independent committees.

There is no provision of the Act which would preclude an independent or political committee which is not a corporate separate segregated fund from contributing to both state and federal candidates.

When it comes to reporting contributions, a combined state and federal committee must report all contributions received and other receipts as required by section 26 and section 28. Each disbursement may also be reported whether it is an expenditure to influence a Michigan state or local election or not. However, it is also acceptable to report each expenditure which influences a Michigan state or local election and then report a single combined amount for all other disbursements.

This response is informational only and does not constitute a declaratory ruling.

Very truly yours,



Phillip T. Frangos, Director
Office of Hearings & Legislation

PTF/cw

Enc.