

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

September 7, 1984

Julia D. Darlow
Dickinson, Wright, Moon, VanDusen & Freeman
800 First National Building
Detroit, Michigan 48226

Dear Ms. Darlow:

This is in response to your inquiry concerning applicability of the lobby act (the Act), 1978 PA 472, to subsidiaries of City Management Corporation.

Specifically, you indicate that City Management Corporation, a registered lobbyist, "has one or more subsidiaries which may at some point lobby within the meaning of the . . . Act." You ask whether the subsidiaries are required to register as lobbyists or whether "it is appropriate to register only City Management Corporation as a lobbyist, provided that this corporation then files reports required under the Act which are inclusive of any lobbying activities of its subsidiaries."

There is nothing in the Act which suggests that a parent corporation may file a single registration form and report the lobbying expenditures of its subsidiaries. On the contrary, sections 5(4) and 7(1) of the Act (MCL 4.415 and 4.417) require any person who makes expenditures of more than \$1,000 for lobbying or more than \$250 on lobbying a single public official in a 12 month period to register as a lobbyist. According to section 6(1) (MCL 4.416), "person" includes a "business, individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, labor organization, company, corporation, association, committee, or any other organization or group of persons acting jointly." Thus, if a subsidiary of City Management Corporation meets the definition of "person" and makes expenditures for lobbying in excess of the thresholds established in section 5(4), the subsidiary must register as a lobbyist and file periodic disclosure reports as required by the Act.

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

Very truly yours,

A handwritten signature in cursive script, appearing to read "Phillip T. Frangos", with a long horizontal flourish extending to the right.

Phillip T. Frangos
Director
Office of Hearings and Legislation

PTF/cw