

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN • SECRETARY OF STATE

STATE TREASURY BUILDING



LANSING

MICHIGAN 48918

November 2, 1978

Mr. Phillip J. Arthurhultz
Michigan Senate Republican Staff
State Capitol Building
Lansing, Michigan 48909

Dear Mr. Arthurholtz:

This is in response to your letter concerning provisions of the Campaign Finance Act, P.A. 388 of 1976, as amended ("the Act"). You present a hypothetical situation in which a candidate for Congress, having raised funds for that purpose, subsequently withdraws from the race in order to seek election to the State Senate. The four questions you raise in connection with this hypothetical are answered in the order presented.

- 1) When does Federal law no longer apply to the individual under the facts of the hypothetical?

The Federal Elections Campaign Act of 1971, as amended, governs campaign practices relating to candidates for Congress. The Federal Elections Commission administers that law. Consequently, you are referred to that agency for a response to your first question.

- 2) When does Michigan's Campaign Finance Act become applicable under the facts presented?

The Act applies to an individual as soon as he or she becomes a "candidate" as defined by Section 3(1) of the Act (MCLA § 169.203). This statutory provision sets forth several criteria by which a person becomes a candidate. It is possible for an individual to be a candidate for purposes of Federal law and the Act.

- 3) May an individual transfer funds from his or her Congressional campaign committee to his or her committee for State Senate?
- 4) If an individual may transfer funds from his or her congressional campaign committee to his or her committee for State elective office, are the Act's contribution limits applicable to the transfer?

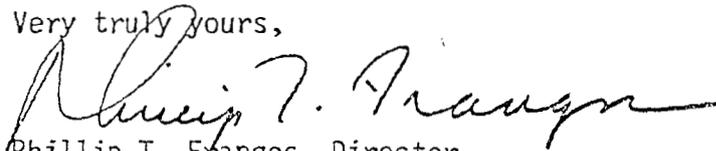
Section 52(1) of the Act (MCLA § 169.252) establishes a contribution limit of \$450.00 per election for the elective office of State Senator. It is the understanding of the Department the Federal Elections Campaign Act sets a contribution limit in excess of that amount for Congressional office. Section 45(1) of the Act (MCLA § 169.245) precludes the transfer of funds from one candidate committee of an individual to another candidate committee of the same individual if the contribution limits of the former committee are greater than the limits of the recipient committee.

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Although in the hypothetical you present, the transferring committee is subject to Federal law and the recipient committee is subject to the Act, Section 45(1) serves to preclude receipt of the funds by the State Senate Committee. This interpretation is consistent with the contribution limits imposed by the Act.

This response may be considered as informational only and not as constituting a declaratory ruling.

Very truly yours,



Phillip T. Frangos, Director
Office of Hearings and Legislation

PTF:pj