

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN • SECRETARY OF STATE

STATE TREASURY BUILDING

LANSING
MICHIGAN 48918

October 26, 1983

Mr. James Barrett, Treasurer
State Chamber Political Action Committee
Michigan State Chamber of Commerce
200 North Washington Square
Lansing, MI 48933

Dear Mr. Barrett:

This is in response to your request for a declaratory ruling concerning applicability of the Campaign Finance Act (the "Act"), as amended, to the payment of certain costs incurred in connection with the establishment, administration and solicitation of contributions to the State Chamber Political Action Committee.

In making your request, you state the following facts:

- 1) The State Chamber Political Action Committee ("State Chamber PAC") is a separate segregated fund established and administered by the Michigan State Chamber of Commerce (the "Chamber"), a nonprofit Michigan corporation.
- 2) In the administration of the State Chamber PAC, the Chamber incurs and pays for various expenses of the PAC, including the cost of office space, phones, salaries, utilities, supplies, legal and accounting fees, fund-raising and other expenses.
- 3) Several of the directors of the State Chamber PAC are employees of member corporations of the Chamber. The travel expenses of such directors for PAC-related business are sometimes paid by their corporate employers.
- 4) In addition, corporate members of the Chamber occasionally offer the use of their facilities and personnel in connection with the administration of the State Chamber PAC.

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A corporation may pay for the cost of office space, phones, salaries, utilities, supplies, legal and accounting fees, fundraising and other expenses incurred in setting up and running a separate segregated fund established by the corporation.

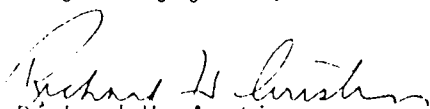
The travel expenses of the officers or directors of a separate segregated fund established by a trade association, may be paid by the officer or director's corporation or by the incorporated trade association which established the separate segregated fund.

The Department position is that a corporation, which is a member of a non-profit corporation, may have its officers and directors or employees authorized by an officer or director make occasional, isolated use of facilities of the corporation for activity in connection with the establishment, administration or solicitation of contributions to a separate segregated fund established by the non-profit corporation of which that corporation is a member.

Occasional, isolated, or incidental use of corporate facilities or personnel by or as authorized by an officer or director of the corporation is limited to one hour of activity per week or four hours of activity per month, regardless of whether the activity is undertaken during or after normal working hours.

This response constitutes a declaratory ruling concerning the applicability of the Act to the statement of facts set forth in your request.

Very truly yours,


Richard H. Austin
Secretary of State

RHA/jep