

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN • SECRETARY OF STATE
STATE TREASURY BUILDING



LANSING
MICHIGAN 48918

August 11, 1978

Honorable Robert F. Brang
District Judge
Seventeenth District
15126 Beech-Daly Road
Redford, Michigan 48239

Dear Judge Brang:

This is in response to your request for an interpretation concerning the making of certain payments from a petty cash fund in accordance with the Campaign Finance Act ("the Act"), P.A. 388 of 1976, as amended. You ask the following questions:

1. May a candidate committee make small cash payments of approximately \$3.00 to youngsters who deliver political literature to homes?
2. May a candidate committee make cash payments from its petty cash fund of \$10.00 to \$15.00 each to a high school student who delivers political literature on election day?

In response to your first question, payments to individuals for the delivery of political literature constitute expenditures as defined in Section 6 of the Act (MCLA s 169.206). Consequently, a candidate committee may pay young people to distribute campaign materials.

With respect to your second question, Section 23 of the Act (MCLA s 169.223) provides the Secretary of State shall promulgate rules for the withdrawal of funds from a committee account for petty cash expenditures and for keeping records of the withdrawals. It states further a single expenditure from a petty cash fund shall not exceed \$50.00.

Rule 169.38 of the General Rules, promulgated by the Secretary of State pursuant to authority conferred by Section 15 of the Act (MCLA s 169.215) and having the effect of law, provides a petty cash fund shall not be used for payment of salaries and wages. "Wages" is defined in Black's Law Dictionary (4th Edition 1968) as follows (in part):

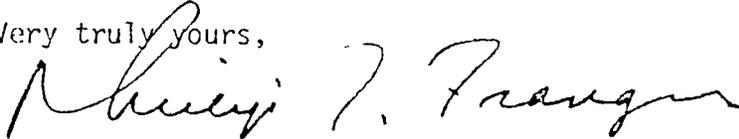
"In its legal sense, the word 'wages' means the price paid for labor, reward of labor, specified sum for a given time of service or a fixed sum for a specified piece of work. In re Hollingsworth's Estate, 37 Cal. App. 2d 432, 99 P.2d 599." (Emphasis supplied)

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A payment made for services rendered by an employee or worker, regardless of the age of the individual or of the amount of the payment, is a wage as provided in Rule 169.38, and cannot be made, therefore, from the petty cash fund.

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

Very truly yours,

A handwritten signature in cursive script, appearing to read "Phillip T. Frangos".

Phillip T. Frangos, Director
Office of Hearings and Legislation

PTF:pk