



March 21, 1978

Honorable Gary G. Corbin
Michigan State Senate
State Capitol
Lansing, Michigan 48909

Dear Senator Corbin:

This is in response to your letter in which you asked questions concerning the officeholder's expense fund as provided in P.A. 388 of 1976 ("the Act"). The questions, which have been modified for purposes of clarification, are as follows:

- 1) May funds held by an officeholder's candidate committee be transferred to the same officeholder's expense fund?
- 2) May tickets to other candidates' fundraisers be purchased with monies from an officeholder's expense fund?
- 3) If the second question is answered in the affirmative, would an officeholder's expense fund from which monies are used to purchase tickets to other candidates' fundraisers have to register as a committee?

Section 49 of the Act (MCLA § 169.249) enables an elected public official to establish an officeholder's expense fund. The fund may be used for expenses incidental to the person's office. The fund may not be used to make contributions or expenditures to further the nomination or election of the public official who establishes the fund.

Rule 169.39 of the General Rules, promulgated by the Secretary of State pursuant to authority conferred by Section 15 of the Act (MCLA § 169.215) and having the effect of law, expressly permits the transfer of money from the candidate committee of an elected public official to that official's officeholder expense fund in accordance with the provisions of the Act.

In view of Rule 169.39, your first question is answered in the affirmative, i.e., funds held by an officeholder's candidate committee may be transferred to the same officeholder's expense fund.

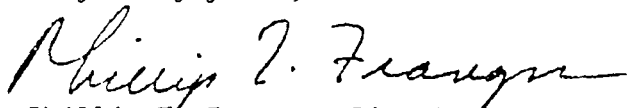
With respect to your second question, it has been custom and tradition for incumbent public officials to purchase tickets to the fundraisers of other candidates for political office. Indeed, it may be stated the expenditure of monies for this purpose by an elected public official is often necessitated by, and therefore incidental to, the person's office. In enacting language authorizing the establishment of an officeholder's expense fund, the Legislature was cognizant of this political tradition.

In requiring the recording and reporting of receipts to and disbursements from the officeholder's expense fund, Section 49(2) speaks of "expenditures." "Expenditure" is defined in Section 6 of the Act (MCLA § 169.206) as "a payment...in assistance of...the nomination or election of a candidate..." Consequently, tickets to other candidates' fundraisers may be purchased with monies from an officeholder's expense fund.

This result gives rise to the answer to your third question. The simple action of utilizing monies in an officeholder's expense fund to pay for tickets to other candidates' fundraisers does not, in of itself, necessitate the registering of the fund as a committee for purposes of the Act. As indicated previously, Section 49(2) provides recording and reporting requirements for the officeholder's expense fund separate from those required for other committees. An officeholder's expense fund used for expenses incidental to the person's office is not a committee for purposes of the Act.

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

Very truly yours,



Phillip T. Frangos, Director
Office of Hearings and Legislation

PTF:pk