



March 24, 1978

Mr. Peter Coughlin
1134 Marigold
East Lansing, Michigan 48823

Dear Mr. Coughlin:

This is in response to your letter seeking clarification of the phrase "candidate supported by a committee" as used in P.A. 388 of 1976 ("the Act").

You state that you were a candidate for the East Lansing City Council and "ran up against candidates who were 'supporting' each other but who failed to mention this in their statements of organization." The three questions you ask, which have been restated for purposes of clarification, are as follows:

- 1) For purposes of the Act, must "support" of a candidate have ascertainable monetary value?
- 2) How does a candidate report his support for another candidate?
- 3) Must the statement of organization filed by a candidate committee reflect its support of another candidate committee?

Section 4 of the Act (MCLA § 169.204) defines "contribution" as "a payment, gift, subscription, assessment, expenditure, contract, payment for services, dues, advance, forbearance, loan, donation, pledge or promise of money or anything of ascertainable monetary value...made for the purpose of influencing the nomination or election of a candidate..." Section 26 of the Act (MCLA § 169.226) provides "In-kind contributions...shall be listed at fair market value..." These basic definitions indicate the Act is directed to the regulation and reporting of campaign transactions having ascertainable monetary value.

In view of the foregoing provisions and conclusion, your first question is answered by stating "support" of a candidate for purposes of the Act must have an ascertainable monetary value.

In responding to your second question, it is necessary to examine the Act with respect to restrictions it places on a candidate's ability to make contributions to other candidates.

Section 21 of the Act (MCLA § 169.221) requires a candidate to form a candidate committee. The committee must designate an account in a Michigan financial institution as the official depository in which all contributions to the committee must be deposited and from which all committee expenditures are made. The contributions received or expenditures made by a candidate shall be considered received or made by the candidate committee. Section 44 of the Act (MCLA § 169.244) provides a candidate committee shall not make a contribution to or an independent expenditure in behalf of another candidate committee.

With these provisions, the Act requires all monies contributed to or expended on behalf of a candidate to be channeled through the candidate committee account. Monies from this account may not be contributed to another candidate. However, the Act does not prohibit an individual, who also happens to be a candidate, from making a contribution to or independent expenditure on behalf of another candidate, provided the individual utilizes his or her personal funds or assets and not those of his or her candidate committee.

The Act also provides for creation of an officeholder's expense fund by an elected public official. Section 49 of the Act (MCLA § 169.249) permits usage of the fund for expenses incidental to the person's office. In separate letters to State Senators Gary G. Corbin and R. Robert Geake, the Department interpreted the Act as permitting an elected public official to use his or her officeholder's expense fund to purchase tickets to fundraising affairs of other candidates.

Responding to your second question, while prohibiting a candidate from making a contribution to or independent expenditure on behalf of another candidate from his or her own candidate committee account, the Act does permit the individual to use personal monies or assets for this purpose, or if an officeholder, then the officeholder's expense fund under appropriate circumstances. In the case of a contribution from personal monies, the burden is on the recipient candidate committee to report it pursuant to Section 26 of the Act (MCLA § 169.226). Independent expenditures in excess of \$100.00 are reported by the maker pursuant to Section 51 of the Act (MCLA § 169.251). The usage of monies in an officeholder's expense fund to purchase tickets to other candidates' fundraising affairs is reported by the officeholder pursuant to Section 49 and the recipient candidate committee pursuant to Section 26.

In order to respond to your third question, Section 24 of the Act (MCLA § 169.224) must be examined. This statutory provision, which requires the filing of a statement of organization by all committees, indicates the statement shall include "The full name of, the office including district number or jurisdiction sought by, and the county residence of, each candidate, and a brief statement identifying the substance of each ballot question, supported or opposed by the committee." The provision further requires "Identification of the committee as a candidate committee, political party committee, independent committee, political committee, or ballot question committee if it is identifiable as such a committee."

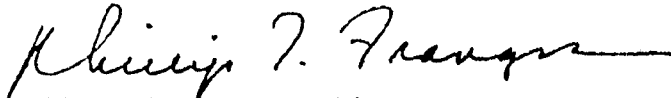
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There are several types of committees which must file a statement of organization pursuant to the Act. In so doing, a committee must conform with those provisions of Section 24 which are applicable specifically to it. Since, as indicated previously, a candidate committee cannot support another candidate committee, the statement of organization of a candidate committee will not reflect such support.

Therefore, your third question is answered by stating a candidate committee's statement of organization cannot reflect support of another candidate committee because such support is prohibited 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

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