



September 2, 1977

Mr. John Dodge, President  
Michigan Association of School Boards  
421 W. Kalamazoo Street  
Lansing, Michigan 48933

Dear Mr. Dodge:

This is in response to your letter of May 27, 1977, which set forth a number of questions concerning the new Campaign Finance Reporting Act, P.A. 388 of 1976 ("The Act").

Your letter asked seven questions:

1. Are the personal travel expenses of a candidate in an amount of less than \$250 in a calendar year, provided without reimbursement, exempt from the definition of "contribution"?
2. May a candidate make an "independent expenditure" on his own behalf?
3. If a candidate committee neither receives nor expends money to influence an election, must the candidate committee open a bank account?
4. Would the candidate's personal postage used for mailing a required filing of the committee be considered an "expenditure"?
5. Must the money spent from a candidate's personal funds for campaign materials first be contributed to the candidate committee, deposited in the committee's bank account, and then withdrawn from the bank account?
6. When would a group of local citizens promoting a school millage campaign be considered a ballot question committee?
7. If an incumbent school board member having three years remaining in a term of office, indicates on the candidate committee's statement of organization that \$500 is not expected to be exceeded in contributions nor expenditures per election and, in fact, the level of \$500 is not exceeded, when would the first campaign statement be required of that candidate committee?

Your first question may be answered in the affirmative. It is the Department's view that the personal travel expenses of a candidate of less than \$250 in a calendar year, provided voluntarily and without reimbursement, are exempt from the definition of "contribution" as provided by Section 4(3)(a) of the Act.

Your second question as to whether a candidate may make an "independent expenditure" on his own behalf creates an impossible hypothetical since Section 21(5) places the independent expenditure by a candidate in the control or direction of the candidate committee and the definition of independent expenditure in Section 9(1) prohibits this result. Therefore, a candidate may not make an independent expenditure on his own behalf.

The answer to your third question is that an actual bank account does not have to be opened if the candidate committee neither receives nor expends money for purposes of influencing an election. However, the committee must designate on its statement of organization a bank in which an account would be opened if expenditures were made or if contributions in the form of money, checks, or other negotiable instruments were received.

The fourth question in your letter may be answered affirmatively. A candidate's personal postage used for mailing a required filing of the committee is considered an "expenditure" by the candidate committee since postage for required filings would be considered as influencing the candidate's nomination or election.

In response to your fifth question, Section 21(5) of the Act would not require that money from a candidate's personal funds first be contributed to the candidate committee, deposited in the committee's bank account, and then withdrawn from the bank account. Section 21(5) defines an expenditure by the candidate, i.e., his contribution, as an expenditure made directly by the committee. The transaction would be recorded as a contribution by the candidate to the committee and as an expenditure by the committee, and reported accordingly.

With respect to your sixth question concerning when a group is considered a committee one must look to Section 3(4). This provision indicates a group is considered a committee when the group spends or receives \$200 or more to influence an election. However, once it is considered a committee, the group must report all transactions from the time of its formation as provided in Section 25(1).

As to your last question, if an incumbent school board member, who has three years remaining in a term of office, indicates on his or her committee's statement of organization that over \$500 is not expected in contributions or expenditures and, in fact, the level of \$500 is not exceeded, the first required campaign finance statement would be the post-election statement due three years later.

These responses to your questions may be considered as informational only and not as comprising a declaratory ruling.

Very truly yours,

Phillip T. Frangos, Director  
Office of Hearings and Legislation

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