



STATE OF MICHIGAN  
TERRI LYNN LAND, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

May 30, 2003

Eric E. Doster  
Foster, Swift, Collins & Smith, P.C.  
313 South Washington Square  
Lansing, Michigan 48933-2193

Dear Mr. Doster:

This is a response to your request for a declaratory ruling under the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, as amended.

#### FACTS

Your statement presents the following facts:

1. The Michigan Republican State Committee (MRSC) organizes and finances conventions, meetings, and conferences.
2. The MRSC organizes and finances three types of conventions: (a) odd-year conventions where party officers are selected; (b) fall conventions in even-numbered years where nominations for public offices are determined; and (c) spring conventions in presidential election years where national convention delegates are selected. With the exception of fall conventions held in even-numbered years, none of the offices at stake at the MRSC's conventions are public offices. Moreover, none of the resolutions adopted at the MRSC's conventions are ballot questions since none will appear on a ballot at an election for public office. Significantly, no political fund raising is conducted at MRSC odd-year state conventions and spring conventions held in presidential election years.
3. The MRSC's meetings are internal political party gatherings. While members of the public are certainly welcome to attend MRSC meetings, these are not candidate rallies, nor are candidates nominated at MRSC meetings. Although resolutions are occasionally adopted at MRS meetings, none of these resolutions are ballot questions since none will appear on a ballot at an election for public office. Significantly, no political fund raising is conducted at MRSC meetings.

4. On occasion, the MRSC organizes and finances conferences, such as the biennial Mackinac Conference and a Midwest Leadership Conference. Again, while members of the public are certainly welcome to attend these internal political party conferences, these are not candidate rallies, nor are candidates nominated at MRSC conferences. Resolutions are not adopted at MRSC conferences. These conferences are internal political party functions, the purpose of which is to educate participants on various topics, and are primarily issue-oriented in nature. Significantly, while an attendance fee is customarily charged to defray expenses of the conference, no political fund raising is conducted at the MRSC conferences.
5. In a Declaratory Ruling dated August 21, 1979, Secretary of State Richard H. Austin concluded that the Act was not applicable to odd-year state conventions because:
  - a. None of the offices at stake at this particular convention are public offices; and
  - b. none of the resolutions to be adopted are ballot questions since none will appear on a ballot at an election for public office.

Your request seeks the Department's confirmation that the MCFA does not apply to the MRSC's odd-year state conventions, spring conventions in presidential election years, meetings, and conferences, as described above.

#### ANALYSIS

As you note in your statement of facts, the Department has addressed this issue in its August 21, 1979 declaratory ruling to Mr. Richard McLellan. The facts that you presented are substantially similar to those presented by Mr. McLellan. Specifically, Mr. McLellan noted that his client, a corporation, wished to spend funds at a political party convention for the purpose of influencing the election of a party chair. No candidates for elective office were nominated at the convention. In that statement, the Department opined:

Section 6 of the Act (MCLA § 169.206) defines "expenditure" as meaning anything of ascertainable monetary value given to influence an election. "Election" is defined in Section 5(1) (MCLA § 169.205(1)) as "a primary, general, special, or millage election held in this state or a convention or caucus of a political party held in this state to nominate a candidate." "Candidate" is defined in Section 3(1) (MCLA § 169.203(1)) as an individual holding or seeking an elective office. "Elective office" is defined as a public office filled by an election.

None of the offices at stake at this particular convention are public offices; moreover, none of the resolutions to be adopted are ballot questions since none will appear on a ballot at an election for public office. Section 2(1) (MCLA § 169.202(1)) defines "ballot question" as a question which is submitted or which is intended to be submitted to a popular vote at an election whether or not it qualifies for the ballot.

Accordingly, the expenditures in question are not prohibited by the Act and also need not be reported or recorded as expenditures under the Act.

The Department can see no reason to depart from the rationale enunciated in the McLellan ruling.

The MCFA does not govern the activities of persons—including political parties—whose activities cannot be defined as contributions or expenditures. It is the Department's opinion that the MCFA does not apply to the MRSC's odd-year state conventions, Presidential-year spring conventions, meetings, or conferences, as described in your statement of facts.

Because your request does not include a complete statement of facts sufficient to form the basis for a declaratory ruling, this response is informational only and constitutes an interpretive statement with respect to your inquiries.

Please contact the Bureau of Legal and Regulatory Services at (517) 241-3463 if you have any additional questions.

Sincerely,

/s/

Brian DeBano  
Chief Operating Officer

BD/DEM/kc  
cc: Bureau of Legal and Regulatory Services