MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN • SECRETARY OF STATE

STATE TREASURY BUILDING

LANSING

MICHIGAN 48918

April 6, 1978

Reproduced by the State of Michigan

Mr. Michael L. Harper, Chairman
Stroh PAC
909 E. Elizabeth Street
Detroit, Michigan

Dear Mr. Harper:

This is in response to your letter of March 6, 1978, concerning the Campaign Finance Act, P.A. 388 of 1976 ("the Act"). You make the following request:

> "The sponsoring company of STROH PAC is The Stroh Brewing Company. Please let us know if STROH PAC is permitted to solicit employees of Stroh subsidiaries, within the scope of the Michigan Campaign Finance Act."

Your letter does not contain any additional information or materials. It is devoid of any clarifying explanation as to your usage of the term "subsidiaries" as it relates to the Stroh Brewing Company.

Section 63 of the Michigan Administrative Procedures Act (MCLA § 24.263), which establishes the criteria for requesting and issuing a declaratory ruling, requires a person requesting a ruling to accompany the request with a precise statement of facts. The Department, therefore, cannot at this time respond to your request for a declaratory ruling.

Your attention, however, is directed to Section 55 of the Act (MCLA § 169.255) which provides "A corporation...formed under the laws of this or another state or foreign country may make an expenditure for the establishment and administration and solicitation of contributions to a separate segregated fund to be used for political purposes." The provision proceeds to indicate that contributions for the fund may be solicited from the following persons or their spouses:

> "(a) Stockholders of <u>the</u> corporation.
> (b) Officers and directors of <u>the</u> corporation.
> (c) Employees of <u>the</u> corporation who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities." (Emphasis supplied)

The statute expressly relates persons who may be solicited for contributions to a separate segregated fund to the corporation which established the fund.

The exclusive relationship existing between a separate segregated fund and the establishing corporation is also identified in an Opinion of the Attorney General, OAG No. 5279, issued March 22, 1978. In discussing a fund of this type, the Attorney General stated:

> "It must be noted that the administration of such a fund and the authorization of expenditures from the fund must be by the board of directors of the corporation or by a committee authorized by the board of directors of the corporation."

As indicated previously, 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

PTF:pk

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