

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN

SECRETARY OF STATE

STATE TREASURY BUILDING



LANSING

MICHIGAN 48918

October 29, 1980

Mr. Chad C. Schmucker  
410 S. Jackson Street  
P.O. Box 570  
Jackson, Michigan 49204

Dear Mr. Schmucker:

This is in response to your letter concerning the applicability of the Campaign Finance Act, 1976 PA 388, as amended ("the Act") to the placement of yard signs on corporate owned property.

Specifically you ask: "Is the placing of a yard sign on corporate owned property considered a contribution? Would it be a violation for the corporation to allow the use of its land as such and also would it be a violation for the Committee to allow the placement of such sign?"

In your first question it is assumed that you are asking whether the corporation would be considered as having made a contribution if it permitted the placement of campaign advertisements on corporate property.

The provisions regarding corporate contributions and expenditures are found in section 54 of the Act and read in part as follows:

"(1) Except with respect to the exceptions and conditions in subsection (2) and (3) and section 55, and to loans made in the ordinary course of business, a corporation may not make a contribution or expenditure or provide volunteer personal services which services are excluded from the definition of a contribution pursuant to section 4(3)(a). . . .

(4) Nothing in this section shall preclude a corporation or joint stock company from making an independent expenditure in any amount for the qualification, passage, or defeat of a ballot question. A corporation making an independent expenditure under this subsection shall be considered a ballot question committee for the purposes of this act."

"Contribution" is defined in section 4 of the Act which states:

"(1) 'Contribution' means 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, whether or not conditional or legally enforceable, or a transfer of anything of ascertainable monetary value to a person, made for the purpose of influencing the nomination or election of a candidate, or for the qualification, passage, or defeat of a ballot question. An offer or tender of a contribution is not a contribution if expressly and unconditionally rejected or returned . . . ." (emphasis added)

This section does include "expenditure" in its definition. Section 6 defines "expenditure" under the Act and includes "contribution" as an expenditure.

"(1) 'Expenditure' means a payment, donation, loan, pledge, or promise of payment of money or anything of ascertainable monetary value for goods, materials, services, or facilities in assistance of, or in opposition to, the nomination or election of a candidate, or the qualification, passage, or defeat of a ballot question. An offer or tender of an expenditure is not an expenditure if expressly and unconditionally rejected or returned . . . ." (emphasis added)

From the foregoing it is clear that a corporation may not make a contribution or an expenditure other than for the qualification, passage or defeat of a ballot question, or for other narrowly defined activities not here relevant.

In permitting the use of corporate property for the display of campaign signs the corporation would be providing its facilities. However, in order for the use of these facilities to become a contribution under the Act the use must have ascertainable monetary value. ✓

Consequently, the answer to your questions will depend on the specific facts involved in each individual case. Your letter does not provide enough information to make a determination as to whether an ascertainable monetary value can be shown which would make it an illegal corporate contribution.

This letter is informational only and does not constitute a declaratory ruling.

Very truly yours,

  
Phillip T. Frangos  
Director  
Office of Hearings and Legislation

PTF/cw