

## MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN      SECRETARY OF STATE

STATE TREASURY BUILDING

LANSING  
MICHIGAN 48910

January 22, 1982

Mr. Elwin Skiles, Jr.  
Texas Instruments, Inc.  
P.O. Box 225474  
Dallas, Texas 75265

Dear Mr. Skiles:

This is in response to your letter asking if Texas Instruments may permit candidates for elective office to visit the company's plants in Michigan or whether such visits are prohibited by the Campaign Finance Act (the "Act"), 1976 PA 388, as amended.

Specifically, you ask if the approach implemented by the Federal Election Commission in its regulations may be utilized in permitting visits to your facilities by Michigan candidates for state and local office. As you know, the Federal Election Commission is currently attempting to revise the regulations you cite in your letter, 11 CFR 114.3 and 114.4.

Section 54 prohibits corporations from making contributions or expenditures to or for the benefit of a candidate. Section 4 of the Act defines the term "contribution" and section 6 defines the term "expenditure." Section 6(2) specifically includes "contribution" in the definition of "expenditure."

Section 6 of the Act provides:

"Sec. 6. (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.

(2) Expenditure includes a contribution or a transfer of anything of ascertainable monetary value for purposes of influencing the nomination or election of any candidate or the qualification, passage, or defeat of a ballot question.

(3) Expenditure does not include:

(a) An amount paid pursuant to a pledge or promise to the extent the amount was previously reported as an expenditure.

(b) An expenditure for communication by a person strictly with the person's paid members or shareholders.

(c) An expenditure for communication on a subject or issue if the communication does not support or oppose a ballot issue or candidate by name or clear inference or an expenditure for the establishment, administration, or solicitation of contributions to a fund or independent committee.

(d) An expenditure by a broadcasting station, newspaper, magazine, or other periodical or publication for any news story, commentary, or editorial in support of or opposition to a candidate for elective office, or a ballot question in the regular course of publication or broadcasting.

(e) An expenditure for nonpartisan voter registration or nonpartisan get-out-the-vote activities. This exclusion shall not apply if a candidate or group of candidates sponsors or finances the activity or is identified by name with the activity. This exclusion shall apply to an activity performed pursuant to sections 491 to 524 of the Michigan Compiled Laws, by the secretary of state and other registration officials who are identified by name with the activity. This exclusion shall apply to a candidate who is an elected officeholder and whose office is not on the ballot for the general election in the calendar year in which the expenditure is made or is not a candidate within the meaning of section 3(1)(a) and 3(1)(b) and is identified by name with the activity."

An activity must assist in the candidate's election and have ascertainable monetary value in order to qualify as an expenditure which is also a contribution to a candidate. However, various activities are specifically excepted from the coverage of the Act.

Nonpartisan activities are not included within the definition of expenditure and are thus excepted from the Act's provisions in section 6(3)(e). Section 6(3)(c) also provides an exception if the corporation does not produce or sponsor any communications supporting or opposing a candidate by name or clear inference.

A review of the Act leads to the conclusion that visits by candidates to corporate facilities were never intended to be outlawed. If there is no communication by the corporation in support or opposition to a candidate, and if visits are equally available to all candidates for a particular office, the visits do not constitute expenditures as defined in section 6.

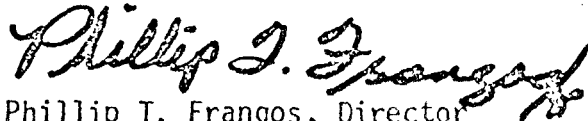
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However, if visits are limited to only selected candidates for an office, or if the visits are accompanied by communications supporting or opposing a particular candidate, the corporation may be in violation of section 54 of the Act.

This response is an interpretation of the Act's provisions and does not constitute a declaratory ruling.

Very truly yours,

A handwritten signature in cursive script that reads "Phillip T. Frangos". The signature is written in dark ink and is positioned above the typed name and title.

Phillip T. Frangos, Director  
Office of Hearings & Legislation

PTF/jmp