

M I C H I G A N D E P A R T M E N T O F S T A T E

RICHARD H. AUSTIN

SECRETARY OF STATE

STATE TREASURY BUILDING



4-82-CI

LANSING

MICHIGAN 48918

April 12, 1982

Mr. Philip Van Dam
Riecker, George, Hartley, Van Dam & Camp, P.C.
414 Townsend Street
P.O. Drawer 632
Midland, Michigan 48640

Dear Mr. Van Dam:

This is in response to your request for an interpretative statement concerning the Campaign Finance Act ("the Act"), 1976 PA 388, as amended.

You have asked two questions:

1) "Whether or not activity undertaken by [the Michigan Republican Party] designed to influence the decisions of the State Commission on Legislative Apportionment, and expenses engendered by the Michigan Republican Party for such activity, falls within the scope of the Act?"

2) "If such activity does not fall within the scope of the Act, may the Michigan Republican Party seek donations from individuals and corporations to help defray the expenses engendered by such activity and are such contributions and expenditures exempt from the record keeping and reporting requirements of the Act?"

While it is obvious the Michigan Republican Party ("MRP") is a committee as defined in section 3(4) of the Act (MCL 169.203), much of what a political party does is not covered by the Act. Whether or not MRP activity to influence the State Commission on Legislative Apportionment ("the Commission") is subject to the Act depends on the definitions of "contribution" and "expenditure" in sections 4 and 5 of the Act (MCL 169.204, MCL 169.206). A contribution is a payment, etc., "made for the purpose of influencing the nomination or election of a candidate, or for the qualification, passage, or defeat of a ballot question." Similarly, an expenditure is a payment, etc., "in

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assistance of, or in opposition to, the nomination or election of a candidate, or the qualification, passage, or defeat of a ballot question." Since redistricting has nothing to do with ballot questions, it must be determined if MRP's reapportionment activity influences, assists, or opposes the nomination or election of a candidate.

It is quite clear the Commission's decisions (or the Supreme Court's decisions) affect the outcome of elections to be held in this decade; otherwise, MRP would not be attempting to influence those decisions. However, affecting the outcome of future elections in which the candidates are not identified, and influencing the election or nomination of a candidate are two different things.

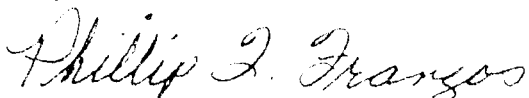
MRP may make disbursements, provided they are not in violation of any other law, to influence the Commission, the Supreme Court, the Legislature, or any other entity who might decide the apportionment questions (as long as it does not become a ballot question) without those disbursements being subject to the Act. Since these disbursements are not subject to the Act, they need not be reported and are not subject to record keeping. As the Department stated in an earlier interpretative statement dated September 4, 1981, and directed to Ms. Olivia Maynard:

"Political parties perform a wide variety of functions in our society. They are not single purpose organizations devoted only to the election of candidates to public office. The Election Code establishes various roles for political parties and substantially regulates their operations. 1981 PA 25 and the resolution of the Commission on Legislative Apportionment simply set up a new job for the political parties. That activity is entirely independent of supporting the election of candidates and opposing or supporting the enactment of ballot questions, and is not reportable under the Act."

Furthermore, the corporate prohibitions contained in sections 54 and 55 of the Act (MCL 169.254, MCL 169.255) are not applicable to these activities. A corporation would not be making a contribution or an expenditure if it provides money or services to support MRP's reapportionment activity. Of course, corporate money may not be commingled with money which is or will be subject to the Act, and any corporate money not spent to influence reapportionment must be returned to the corporation or spent on other exempt activities.

This response is informational only and does not constitute a declaratory ruling. Moreover, this interpretation deals only with the Act and no other statute.

Very truly yours,



Phillip T. Frangos, Director
Office of Hearings and Legislation

PTF/jmp