

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN • SECRETARY OF STATE

STATE TREASURY BUILDING



29-84-LI

LANSING
MICHIGAN 48918

June 22, 1984

David L. Ball, Jr.
Methodist Children's Home Society
Children's Village
26645 W. Six Mile Road
Detroit, Michigan 48240

Dear Mr. Ball:

This is in response to your inquiry concerning applicability of the lobby act (the "Act"), 1978 PA 472, to the Methodist Children's Home Society. Specifically, you ask whether the Society, which you describe as an "organic part" of the United Methodist Church, is exempt from the requirements of the Act.

In Pletz v Secretary of State, 125 Mich App 335 (1983), the Court of Appeals held that "in order to preserve the constitutionality of the (lobby) act, we interpret it to except churches and religious institutions from its coverage and application." The Court reasoned that requiring churches and religious institutions to register as lobbyists and report their lobbying expenditures would violate the First Amendment "by creating excessive and enduring entanglements between state government and religious institutions."

According to your letter and accompanying materials, the Methodist Children's Home Society is partially funded by the United Methodist Church, to whom the Society reports its activities at the Church's two Annual Conferences. The Church also is responsible for selecting a majority of the Society's Board of Directors and controls the selection of the remaining directors. Thus, it appears that the Methodist Children's Home Society falls within the exemption created by the Court of Appeals for churches and religious institutions, and the Society is not subject to the Act's registration and reporting requirements.

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This response is informational only and does not constitute a declaratory ruling because none was requested.

Very truly yours,



Phillip T. Frangos
Director
Office of Hearings and Legislation

PTF/cw