

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN

SECRETARY OF STATE

STATE TREASURY BUILDING



LANSING

MICHIGAN 48918

October 9, 1978

Mr. Robert P. Hallenbeck, Director
Legislative Affairs
SmithKline Corporation
1500 Spring Garden Street
P.O. Box 7929
Philadelphia, Pennsylvania 19101

Dear Mr. Hallenbeck:

This is in response to your query as to whether the Campaign Finance Act, P.A. 388 of 1976, as amended ("the Act"), permits the use of a payroll deduction system for contributions to a separate segregated fund established by a corporation for political purposes.

Your question was answered by Michigan's Attorney General in OAG No. 5279, issued on March 22, 1978. The Attorney General stated Section 55 of the Act (MCLA § 169.255) provides contributions to a separate segregated fund established by a corporation to be used for political purposes may be in the form of a voluntary payroll deduction plan. However, contributions to the fund may only be made by the following persons or their spouses: (1) stockholders of the corporation; (2) officers and directors of the corporation; and (3) employees of the corporation who have policy-making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

Enclosed you will find a copy of the Opinion, a copy of the Act, and a copy of the General Rules promulgated by the Secretary of State to implement the Act.

Your attention is directed to the definition of "committee" set forth in Section 3(4) of the Act (MCLA § 169.203). A separate segregated fund which receives or spends \$200.00 or more for political purposes is a committee subject to the registration, recording, and reporting requirements of the Act.

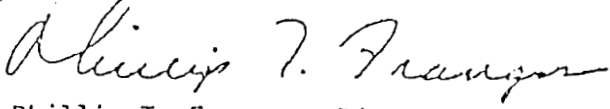
For specific instructions and information as to reporting and recording requirements of the Act, please write or call:

Campaign Finance Reporting
P.O. Box 20126
Lansing, Michigan 48901
Phone: (517) 373-8558

Mr. Robert P. Hallenback
Page Two

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:pj