

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN • SECRETARY OF STATE

STATE TREASURY BUILDING



LANSING
MICHIGAN 489

August 1, 1978

Mr. Kenneth M. Weidaw III
c/o Buth, Wood & Weidaw
306 Federal Square Bldg.
Grand Rapids, Michigan 49503

Dear Mr. Weidaw:

This is in response to your request for an interpretive statement concerning the Campaign Finance Act ("the Act"), P.A. 388 of 1976, as amended. Since you seek an informational response, the facts in your letter have been revised for purposes of this response so as not to reflect actual names.

You state that certain political solicitations by an entity ("entity"), whose title indicated it to be a committee in support of an issue and a candidate, were received recently by a private citizen. The issue supported by the entity is not one which will appear on any state election ballot in the immediate future.

You indicate your review of the records maintained by the pertinent Register of Deeds revealed that the candidate has filed the documentation required under the Act for his candidate committee. You state that to your knowledge the entity has not filed as a committee with the County Clerk.

A careful review of the documents enclosed reveals the letter from the entity was paid for by the candidate committee. The soliciting materials bear the candidate committee's identification required by Section 47 of the Act (MCLA § 169.247). The letter essentially solicits contributions on behalf of the candidate with the request that contributions be forwarded to the candidate committee at its address.

Specifically, you inquire as to whether Section 44(1) of the Act (MCLA § 169.24) may have been violated.

First, an interpretive statement issued by the Department is a general interpretation of the provisions of the Act. It is not a declaratory ruling issued by the Department in response to a factual situation raised by an affected party. Further, it should be stressed the committee or committees involved did not request this statement. Finally, no inferences of illegal activity should be associated with the committee(s) since a formal complaint has not been submitted nor has any committee been given the opportunity to give its interpretation of the facts as to the issue presented.

Mr. Kenneth M. Weidaw III
Page Two

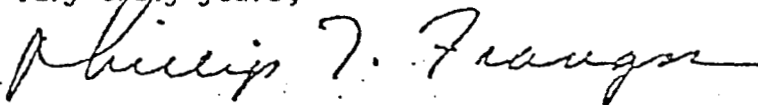
Section 44(1) of the Act states a contribution shall not be made by a person to another person with the agreement or arrangement that the person receiving the contribution will then transfer the contribution to a particular candidate committee. As mentioned previously, it appears the solicitation letter was distributed by the entity and paid for by the candidate committee. The letter clearly stated in the last paragraph that the solicitation included an enclosed envelope, a copy of which you also sent to the Department, which could be used to send a check to the candidate committee. The envelope is addressed to the candidate committee; it is not addressed to the entity.

Accordingly, it appears any contribution solicited by the entity will be sent knowingly by the contributor directly to the candidate committee. The contribution is not made to the entity with the agreement or arrangement that the latter will transfer the contribution to the candidate committee. Consequently, there does not appear to be a violation of Section 44(1) of the Act in the situation you describe.

With respect to the reporting status of a committee similarly situated to the entity, the governing provision is Section 3(4) of the Act (MCLA § 169.203). This statutory provision defines "committee" as "a person who receives contributions or makes expenditures for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of a candidate, or the qualification, passage, or defeat of a ballot question, if contributions received total \$200.00 or more in a calendar year or expenditure made total \$200.00 or more in a calendar year." If a person falls within this definition, it must register and report pursuant to the Act.

This response may be considered informational only and not as constituting a declaratory ruling.

Very truly yours,



Phillip T. Frangos, Director
Office of Hearings and Legislation

PTF:pk

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April 17, 1978

Michigan Department of State
Office of Hearings & Legislation
Compliance and Rules Division
Mutual Building - Third Floor
208 N. Capitol
Lansing, Michigan 48933

Gentlemen:

Please consider this letter a request for an interpretative statement pursuant to Act 388 of 1976.

The facts relating to this case are as follows: During March, 1978, the enclosures were received by a resident of the City of Grand Rapids. The enclosures were forwarded to me for examination in order to determine whether there had been a violation of the Campaign Finance Act. My review of the Kent County Register of Deeds Office revealed that Steven Monsma, a State Representative, has filed the documentation required under the act to commence his campaign committee, entitled, Friends of Steve Monsma. The question arose however as to whether the Pro-Life Committee for Monsma is in fact another candidate committee organized for the purpose of raising money. A careful review of the documents enclosed shows that the letter from Lynn E. DeGraaf appears to have been paid for by the "Friends of Steve Monsma" Committee. The letter essentially solicits funds in behalf of Mr. Monsma requesting that the funds be forwarded to the campaign committee at its address.

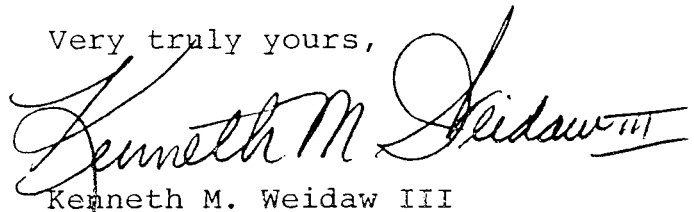
In late March this matter was discussed with Mr. John T. Turnquist, Deputy Director of the Elections Division. In my conversation with Mr. Turnquist, there was a question as to whether or not there had been a violation under Section 44(1) of the Act.

Michigan Department of State
April 17, 1978
Page 2

We do not at this time request a declaratory ruling under Section 63 of the Administrative Procedures Act. We merely ask that the facts and the enclosures be reviewed and that an interpretative statement be rendered concerning this matter.

Your prompt response is requested. If you have any additional questions, please feel free to contact me at your convenience.

Very truly yours,

A handwritten signature in cursive script that reads "Kenneth M. Weidaw III". The signature is written in black ink and is positioned above the typed name.

Kenneth M. Weidaw III

KMW:dc

Enclosures

P.S. Incidentally, it should be noted that the Pro-Life Committee has not filed with the Kent County Clerk.