

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN

SECRETARY OF STATE

STATE TREASURY BUILDING



LANSING

MICHIGAN 48918

August 21, 1979

Mr. Robert M. Perry
Executive Vice President
Michigan Bankers Association
610 W. Ottawa
Lansing, Michigan 48933

Dear Mr. Perry:

This is in response to your inquiry concerning the applicability of the Campaign Finance Act, ("the Act"), P.A. 388 of 1976, as amended, to the participation by bank officers or trade associations in the fund raising activities of elected officials.

You present a hypothetical situation involving a bank officer who is asked to participate in a candidate's reception/cocktail fund raising event. You state, "This will require that the officer communicate, probably by letter, to a group of selected individuals within his community."

As to the above situation you ask three questions:

- (1) Are there restrictions under which the bank officer must operate in these circumstances if he or she acts in his or her official capacity as a corporate officer and utilizes corporate staff and resources?
- (2) Is the answer to the first question different if the officer represents a trade association and utilizes the staff and resources of the association?
- (3) Is the answer to the first question different if the officer personally performs all the services but does so on corporate time?

Section 54(1) of the Act (MCLA § 169.254(1)) provides a corporation may not make a contribution or expenditure or provide volunteer personal services for a candidate. Additionally, Section 54(2) (MCLA § 169.254(2)) provides that an officer, director, stockholder, attorney, agent, or any other person acting for a corporation, shall not make a contribution or expenditure or provide volunteer personal services.

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Accordingly, in answer to your first question, a bank officer acting in his or her official capacity may not perform the services articulated in your hypothetical while on corporate time or using corporate staff and resources. Active participation at a candidate's fund raising event and communications to selected individuals within his or her community constitute "services" under the Act's provisions. These activities are considered as improper corporate contributions by the corporation.

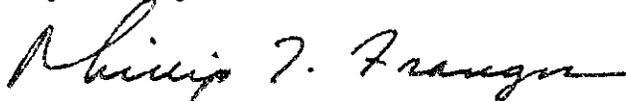
The answer to your second question is the same if the individual is an officer of an incorporated trade association or an incorporated member of a trade association. A trade association officer may not provide services of the type described above without violating the Act's prohibition against corporate contributions.

The answer to your third question is also negative, regardless of who pays for the preparation of various materials if the officer performs the activities while on corporate time.

It should be noted that an officer, director, stockholder, attorney, or any person acting in his or her individual capacity may attend and use personal funds at or in assistance of a candidate's fund raising event.

Since this request did not detail a specific factual situation, this response is informational only and does not constitute a declaratory ruling.

Very truly yours,



Phillip T. Frangos, Director
Office of Hearings & Legislation

PTF/dt/mw