

Michigan Chamber Files Complaint Against Saginaw Valley State University For Unlawfully Operating a PAC and PAC Payroll Deduction Plan

Alone among the 11 university- related political action committees (PACs) registered with the Secretary of State, Saginaw Valley State University (SVSU) has made no attempt to carefully manage its PAC -- Friends of Saginaw Valley State University (SVSU) -- as an independent, off-campus operation, reports the Michigan Chamber of Commerce.

"Saginaw Valley State University has used university funds, personnel, office space, computer hardware and software, stationery, postage, supplies and other public resources to administer Friends of Saginaw Valley State University in violation of Section 57 of the Michigan Campaign Finance Act (MCFA)," said Robert S. LaBrant, Senior Vice President of Political Affairs and General Counsel for the Michigan Chamber.

The Michigan Campaign Finance Law specifically prohibits "public bodies" like SVSU from making contributions or expenditures to influence the nomination, election, or defeat of candidates or the qualification passage or defeat of ballot questions, LaBrant noted. State law may allow public bodies to lobby governmental officials, but it specifically prohibits them from helping to elect them.

According to LaBrant, no other university in Michigan has a PAC as an in- house operation. "Most are carefully managed independently, off campus," said LaBrant. "No university funds are ever to be used. All administrative expenses are to be paid directly out of the PAC."

On February 16, 2006, a formal Michigan Attorney General opinion was released holding that a public body is prohibited from administering a payroll deduction plan for the collection of contributions to a PAC.

Among the 10 other university-related PACs in Michigan, M-PAC, the Green & White PAC, Friends of Oakland University, Friends of Ferris and Friends of Eastern Michigan University all appear to be operated in compliance with Section 57 of the MCFA as independently operated, off-campus operations.

Friends of Central Michigan University, Friends of Grand Valley State University, Friends of Northern Michigan University and Friends of Western Michigan University also appear to be operated independently, off campus. However, LaBrant noted, "those four universities offer their administrators, faculty and staff a university administered PAC payroll deduction plan. The legality of those payroll deduction plans is now in doubt with the recent AG opinion and Department of State rulings."

The Friends of Lake Superior State University PAC, was dissolved in 2000 and no PAC has ever been established promoting the interest of Michigan Technological University.

The Michigan Chamber is a statewide business organization which represents more than 6,800 employers, trade associations and local chambers of commerce. The Michigan Chamber was established in 1959 to be an advocate for Michigan's job providers in the legislative, political and legal process.

SOURCE: Michigan Chamber of Commerce

CONTACT: Robert LaBrant of Michigan Chamber of Commerce,
+1-517-371-2100

Web site: <http://www.michamber.com/>

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