



STATE OF MICHIGAN  
RUTH JOHNSON, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

June 13, 2014

The Honorable Tupac Hunter  
Tupac A Hunter for State Senate  
24461 Pembroke  
Detroit, Michigan 48219

Dear Senator Hunter:

The Department of State (Department) is authorized to initiate an investigation of an apparent violation of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.*, discovered during the review of a statement or report filed with the Department. MCL 169.215(13). Certain campaign statements filed on behalf of the Tupac A Hunter for State Senate committee (Committee) suggest that the Committee may have violated the Act.

A term-limited officeholder is no longer a "candidate" as defined in the Act (candidate includes an officeholder unless he is constitutionally or legally barred from seeking reelection, MCL 169.203(1)(e)), but the MCFA still governs the types of disbursements that a term-limited officeholder may make from his candidate committee. A term-limited officeholder may make the following types of expenditures or disbursements from his existing candidate committee bank account: debt payment, disbursements for incidental office expenses, in-kind transfers, the transfer of unexpended funds to another candidate committee held by the term-limited officeholder, give funds to a charitable organization, or return the funds to contributors. MCL 169.209, 221a, 245.

It is alleged that according to the Committee's 2013 Annual, 2013 Amended Annual and 2014 Annual campaign statements, the Committee has reported \$36,376.01 in expenditures to the Baptist College of Ministry for the purpose of "College Scholarship Funding." The Department sent the Committee and Error or Omission Notice on March 20, 2014 asking for additional information regarding the following expenditures made to the Baptist College of Ministry:

01/15/2013	\$1,727.50
01/15/2013	\$1,500.00
02/19/2013	\$1,535.50
02/19/2013	\$1,296.00
03/15/2013	\$1,610.00
03/15/2013	\$1,350.00
06/21/2013	\$ 45.00
08/22/2013	\$6,100.00
12/16/2013	\$6,225.00

The Honorable Tupac Hunter  
Tupac A Hunter for State Senate  
June 13, 2014  
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The Department received a response from the Committee on March 26, 2014 stating that Britany Mills and Ariel Mills were beneficiaries of scholarships funded by the Committee, and that payments to the college were "assistance to a constituent."

Payment of an incidental expense is an allowable disbursement from a term-limited officeholder's committee. An incidental expense means "an expenditure that is an ordinary and necessary expense, paid or incurred in carrying out the business of an elective office" and includes "a disbursement necessary to assist, serve, or communicate with a constituent." MCL 169.209(1)(a). While the term "constituent" is not defined by the MCFA, Black's Law Dictionary (3<sup>rd</sup> Pocket Edition, 2006) defines a constituent as "someone who is represented by a legislator or other elected official [,]" and the American Heritage Dictionary (New College Edition, 1976) defines a constituent as "someone represented by an elected official."

In a subsequent telephone conversation with the Department, you indicated that Britany and Ariel Mills are "relatives of a constituent." It appears that neither Ms. Mills is registered to vote in your district, and the billing statements from the Baptist College of Ministry list an Ypsilanti address for both. Additionally, Ariel Mills is registered to vote at that Ypsilanti address, which is located in the 18<sup>th</sup> Michigan State Senate District. It appears to the Department that Britany and Ariel Mills are not your constituents, and the disbursements from your candidate committee to the scholarship fund for them were improper.

**The purpose of this letter is to inform you of the Department's examination of this matter and your right to submit a written response to the Department.** Your response is due on or before July 7, 2014 and may include any documentary evidence you wish to submit. All materials must be sent to the Department of State, Bureau of Elections, Richard H. Austin Building, 1<sup>st</sup> Floor, 430 West Allegan Street, Lansing, Michigan 48918.

After reviewing the information you submit to this office, the Department will determine whether "there may be a reason to believe" that the Committee violated the MCFA. MCL 169.215(13). The Act grants the Department various enforcement powers, including informal resolution or execution of a conciliation agreement. If the Department and Committee fail to reach an informal settlement, it may commence an administrative hearing to enforce the civil penalties provided by law. MCL 169.215(10), (11).

If you have any questions or require additional information, please contact me at your earliest convenience.

Sincerely,



Lori A. Bourbonais  
Bureau of Elections  
Michigan Department of State

June 18, 2014

Mrs. Lori A. Bourbonais  
Bureau of Elections  
Michigan Department of State  
Richard H. Austin Building, First Floor  
430 West Allegan Street  
Lansing, Michigan 48918

RE: Tupac A. Hunter for State Senate  
ID# 512994-5

Dear Mrs. Bourbonais:

I am writing in response to your letter dated June 13, 2014, wherein you raised concerns on behalf of the Bureau of Elections regarding certain expenditures made by my candidate committee. I would like to first state that it was never my intention to violate Michigan campaign finance law in any way. At the time I made the expenditures in question, I believed them to be allowable. However, I ceased making like expenditures immediately upon being notified of the Bureau's concerns via the Error or Omission Notice dated March 20, 2014.

I acknowledge and accept the concerns that the Bureau has delineated regarding the expenditures in question. As it relates to the individuals whom the expenditures benefitted, I mistakenly assumed that the residence of said individuals was immaterial. In retrospect, my error was in my not first clearing those specific details with my committee's legal counsel and/or the Bureau directly.

Again, I acknowledge and fully accept responsibility for any and all errors that I have made that may have resulted in my committee not fully complying with Michigan campaign finance law. I do not wish nor do I intend to protest this matter with the Bureau. Instead, my desire is to arrive at a resolution that is both reasonable and appropriate so that my committee will be in full compliance as soon as possible.

Sincerely,

  
Tupac A. Hunter

Copy: Brett McRae  
Campaign Finance Services

2014 JUN 25 PM 4:07  
BUREAU OF ELECTIONS  
MICHIGAN DEPARTMENT OF STATE



STATE OF MICHIGAN  
RUTH JOHNSON, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

January 26, 2015

Brett McRae  
403 4<sup>th</sup> Street  
Charlotte, Michigan 48813

Dear Mr. McRae:

The Department of State (Department) has completed its investigation of an apparent violation of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.*, which was discovered during the review of statements and reports filed on behalf of the Tupac A Hunter for State Senate committee (Committee) with the Department.

After a review of the Committee's 2013 and 2014 Annual campaign statements, it appeared to the Department that the Committee made improper disbursements to the Baptist College of Ministry on behalf of Ariel Mills and Britany Mills.

A term-limited officeholder is no longer a "candidate" as defined in the Act,<sup>1</sup> but the MCFA still governs the types of disbursements that a term-limited officeholder may make from his candidate committee. A term-limited officeholder may make the following types of expenditures or disbursements from his existing candidate committee bank account: debt payment, disbursements for incidental office expenses, in-kind transfers, the transfer of unexpended funds to another candidate committee held by the term-limited officeholder, give funds to a charitable organization, or return the funds to contributors. MCL 169.209, 221a, 245.

Payment of an incidental expense is an allowable disbursement from a term-limited officeholder's committee. An incidental expense means "an expenditure that is an ordinary and necessary expense, paid or incurred in carrying out the business of an elective office" and includes "a disbursement necessary to assist, serve, or communicate with a constituent." MCL 169.209(1)(a). While the term "constituent" is not defined by the MCFA, Black's Law Dictionary (3<sup>rd</sup> Pocket Edition, 2006) defines a constituent as "someone who is represented by a legislator or other elected official [,]" and the American Heritage Dictionary (New College Edition, 1976) defines a constituent as "someone represented by an elected official."

On March 20, 2014 the Department sent a Notice of Error or Omission to the Committee asking for additional information regarding the following expenditures made to the Baptist College of Ministry:

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<sup>1</sup> Candidate includes an officeholder unless he is constitutionally or legally barred from seeking reelection. MCL 169.203(1)(e).

01/15/2013	\$ 1,727.50
01/15/2013	\$ 1,500.00
02/19/2013	\$ 1,535.50
02/19/2013	\$ 1,296.00
03/15/2013	\$ 1,610.00
03/15/2013	\$ 1,350.00
06/21/2013	\$ 45.00
08/22/2013	\$ 6,100.00
12/16/2013	\$ <u>6,225.00</u>
Total	\$21,389.00

The Department received a response from the Committee on March 26, 2014 stating that Britany Mills and Ariel Mills were beneficiaries of scholarships funded by the Committee, and that payments to the college were "assistance to a constituent." In a subsequent telephone conversation with the Department, the Committee clarified that Britany and Ariel Mills are "relatives of a constituent." However, the Department determined that neither Ms. Mills was registered to vote in the district represented by former Senator Hunter, and the billing statements from the Baptist College of Ministry list an Ypsilanti address for both. Additionally, Ariel Mills is registered to vote at that Ypsilanti address, which is located in the 18<sup>th</sup> Michigan State Senate District.

The Department acknowledges that the Committee made no further disbursements to the Baptist College of Ministry after it received the March 20, 2014 Notice of Error or Omission. Additionally, by letter dated June 18, 2014 to the Department, former Senator Hunter acknowledged and accepted the responsibility for any and all errors made by the Committee which may have resulted in the Committee not fully complying with the Act.

The Department has determined that Britany and Ariel Mills were not former Senator Hunter's constituents and the disbursements from the Committee to the scholarship fund for them were improper, and as a result, the Department finds that the evidence supports a reason to believe a violation of section 45(2) the Act has occurred. MCL 169.245(2). A civil fine of \$1,000.00 may be assessed for each violation of the Act, unless otherwise specified. MCL 169.215(15).

In addition to the expenditures listed above, the Committee also made the following improper expenditures to the Baptist College of Ministry:

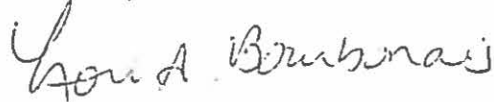
09/21/2012	\$ 2,476.01
09/21/2012	\$ 3,275.50
10/16/2012	\$ 1,543.50
10/16/2012	\$ 1,558.00
11/16/2012	\$ 1,477.50
11/16/2012	\$ 1,471.00
12/17/2012	\$ 1,602.50
12/17/2012	\$ <u>1,583.00</u>
Total	\$14,987.01

It appears that the Committee made 17 improper expenditures to the Baptist College of Ministry totaling \$36,376.01.

Having found that it has a reason to believe that a violation of the Act did occur based on the these improper expenditures, the Department offers to resolve this matter informally through the execution of the enclosed conciliation agreement, which requires the Committee to pay an \$8,000.00 civil fine to the State of Michigan (\$500.00 each for 16 of the improper expenditures, excluding the \$45.00 expenditure made on June 21, 2013). **If your client is inclined to execute the conciliation agreement, please return the original signed document and payment of the \$8,000.00 civil fine to this office on or before February 27, 2015.** Payment must be made by check or money order payable to the State of Michigan; please include the notation "Conciliation Agreement, Attn: Bureau of Elections" on the check or money order.

Please be advised that if the Department is unable to resolve this complaint informally, it is required by MCL 169.215(10)-(11) to commence an administrative hearing to enforce the civil penalties provided by law. "If after a hearing the secretary of state determines that a violation of this act has occurred, the secretary of state may issue an order requiring the person to pay a civil fine equal to **triple the amount of the improper contribution or expenditure plus not more than \$1,000.00 for each violation.**" MCL 169.215(11). (Emphasis added.)

Sincerely,



Lori A. Bourbonais  
Bureau of Elections  
Michigan Secretary of State



STATE OF MICHIGAN  
RUTH JOHNSON, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

In the Matter of:

Tupac Hunter for State Senate  
24461 Pembroke  
Detroit, Michigan 48219

Committee ID #512994-5

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**CONCILIATION AGREEMENT**

Pursuant MCL §169.215(10) of the Michigan Campaign Finance Act (the Act), MCL §169.201 *et seq.*, the Secretary of State and the Tupac Hunter for State Senate committee (Respondent) hereby enter into a conciliation agreement with respect to certain acts, omissions, methods, or practices prohibited by the Act.

The Secretary of State alleges that there may be reason to believe that Respondent violated MCL §169.245 by making 17 improper expenditures to the Baptist College of Ministry in the total amount of \$36,376.01.

Therefore, Respondent hereby voluntarily enters into this conciliation agreement and assures the Secretary of State that Respondent will comply with the Act and the Rules promulgated to implement the Act.

By executing this conciliation agreement, Respondent certifies that a civil fine in the amount of \$4,000.00 has been paid to the State of Michigan.

The Secretary of State and Respondent further agree that this agreement is in effect and enforceable for four years from the date it is signed by the Secretary of State or her duly authorized representative.

The Secretary of State and Respondent further agree that this agreement, unless violated, shall constitute a complete bar to any further action by the Secretary of State with respect to the alleged violation that resulted in the execution of this agreement.

The Secretary of State and Respondent further agree that the complaint and investigation that resulted in this agreement are disposed of and will not be the basis for further proceedings, except pursuant to this agreement.

The Secretary of State and Respondent further agree that this agreement will not prevent the Secretary of State from taking action for violations of this agreement.

The Secretary of State and Respondent further agree that Respondent's performance under this agreement shall be given due consideration in any subsequent proceedings.


The Secretary of State and Respondent further agree that this agreement, when signed, shall become a part of the permanent public records of the Department of State.

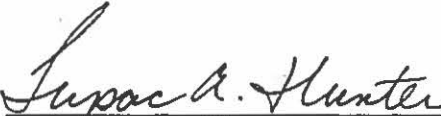


The Secretary of State and Respondent finally agree that the signatories below are authorized to enter into and bind the parties to this agreement, and have done so by signing this agreement on the date below.

**RUTH JOHNSON**  
**SECRETARY OF STATE**

**RESPONDENT**

  
\_\_\_\_\_  
Christopher M. Thomas, Director  
Bureau of Elections

  
\_\_\_\_\_  
Tupac Hunter  
Tupac Hunter for State Senate

Date: 3/31/15

Date: 3/3/15