

Complaint Against:

Citizens to Elect Todd Courser
Committee Identification No. 517033
Treasurer: Tracy Paulus
455 S. Main Street
Lapeer, MI 48446
Telephone No. 810-375-7818

455 South Main, LLC
Resident Agent: Todd Courser
455 S. Main Street
Lapeer, MI 48446
Telephone No. 800-376-2216

Complainant:

Elizabeth DeShone
215 South Washington Square, Suite B
Lansing, MI 48933
Telephone No. 517-375-2769

Dated: August 5, 2014

*Filed Pursuant to MCL 169.215
and the Administrative Rules of the
Michigan Department of State
Legal and Regulatory Services Administration
Treasury Building, 4th Floor
430 W. Allegan
Lansing, Michigan 48918*

BUREAU OF ELECTIONS
MI DEPT OF STATE
2014 AUG -5 PM 4:17

COMPLAINT

Complainant, Elizabeth DeShone, whose address is 215 South Washington Square, Suite B, Lansing, Michigan 48933, Telephone: 517-375-2769, declares to the Michigan Secretary of State the following:

STATEMENT OF FACTS

1. Citizens to Elect Todd Courser is a candidate committee registered under the Michigan Campaign Finance Act. Tracy Paulus is the Treasurer of Citizens to Elect Todd Courser. See Attachment 1.
2. Todd Courser is a candidate for the office of State Representative.
3. 455 South Main, LLC is a "person" for the purposes of Section 11(2) of the Michigan Campaign Finance Act. See Attachment 2.
4. 455 South Main, LLC is the owner of 455 South Main Street, Lapeer, Michigan 48446. See Attachment 3.
5. 455 South Main Street, Lapeer, Michigan 48446 is the street address for Citizens to Elect Todd Courser. See Attachment 1. Upon information and belief, Citizens to Elect Todd Courser conducts its campaign activities at 455 South Main Street, Lapeer, Michigan 48446.
6. In the pre-primary report filed by Citizens to Elect Todd Courser dated July 25, 2014, there are no expenditures for office rental from 455 South Main, LLC. Also, there are no reported in-kind contributions for office rental. See Attachment 4.

FAILURE TO REPORT CONTRIBUTIONS

7. Before the signature line of each campaign statement, the following verification appears:

"I certify that all reasonable diligence was used in the preparation of this statement and attached schedules (if any) and to the best of my knowledge and belief the contents are true, accurate and complete."
8. Section 33(10) of the Michigan Campaign Finance Act provides that if a treasurer or other individual designated as responsible for a committee's record keeping, report preparation, or report filing knowingly files an incomplete or inaccurate statement or report, that treasurer or other designated individual is subject to a civil fine of not more than \$1,000.
9. Michigan Department of State Rule 169.34 provides that a committee which is charged less than the fair market value or fair rental value of an item or services

shall report the difference between the amount charged and the fair market value or fair rental value as an in-kind contribution.

10. According to the campaign finance reports filed by Citizens to Elect Todd Courser, this Respondent has failed to report the receipt of the in-kind contributions for the rental of office space from 455 South Main, LLC.

FAILURE TO REGISTER AS A COMMITTEE

11. Section 3(4) of the Michigan Campaign Finance Act defines a "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 questions, if contributions received total \$500.00 or more in a calendar year or expenditures made total \$500.00 or more in a calendar year."
12. Once the person achieves "committee" status, Section 24(1) of the Michigan Campaign Finance Act requires the committee to file a Statement of Organization within ten (10) days. Once "committee" status is achieved, the Michigan Campaign Finance Act also requires committees to file campaign statements with the Michigan Department of State.
13. Upon information and belief, the rental value of the office space used by Citizens to Elect Todd Courser (located at 455 South Main Street, Lapeer, Michigan 48446) exceeds \$500.00; therefore, 455 South Main, LLC was required to register as a "committee" under the Michigan Campaign Finance Act and to otherwise comply with the requirements of the Michigan Campaign Finance Act.

CONCLUSION

Based on the foregoing:

1. Respondent Citizens to Elect Todd Courser has violated Section 33(10) of the Michigan Campaign Finance Act by failing to report in-kind contributions.
2. Respondent 455 South Main, LLC:
 - (a) Has violated Section 24 of the Michigan Campaign Finance Act by failing to file a Statement of Organization with the Michigan Department of State;
 - (b) Has violated numerous sections of the Michigan Campaign Finance Act by failing to file periodic campaign statements; and
 - (c) May have violated Section 54 of the Michigan Campaign Finance Act by making contributions containing corporate, labor union, or domestic dependent sovereign funds.

REQUEST FOR ACTION BY THE SECRETARY OF STATE

Accordingly, the Complainant respectfully requests that the Secretary of State immediately investigate these violations and determine as a matter of law that the Respondents have violated the Michigan Campaign Finance Act, and to assess all appropriate penalties for such violations. In addition, the Complainant respectfully requests that the Secretary of State require the Respondents to refund any contributions found to be in violation of the Michigan Campaign Finance Act. Further, the Complainant respectfully requests the Secretary of State to take immediate action to prevent further violation of the Michigan Campaign Finance Act by the Respondents.

I certify that to the best of my knowledge, information, and belief, formed after a reasonable inquiry under the circumstances, each factual contention of this complaint is supported by evidence.

Dated: August 5, 2014

Respectfully submitted,


Elizabeth DeShone

ATTACHMENT 1



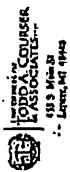
MICHIGAN DEPARTMENT OF STATE
BUREAU OF ELECTIONS

ORIGINAL OR AMENDED

STATEMENT OF ORGANIZATION FORM FOR CANDIDATE COMMITTEES

384449

1. Committee ID #: 517033	*2. Type of Filing: <input checked="" type="checkbox"/> Original: <input type="checkbox"/> Amendment to Item: _____		File Date: _____
*3. Full Name of Committee (must include Candidate's first and last name): Citizens to Elect Todd Courser			
*4a. Candidate Full Name: Last Name Courser		First Name Todd	M.I. A
*4b. Political Party (if applicable): Republican Party		*4c. County of Residence: LAPEER	
*4d. Office Sought: State Rep		*4e. District/Circuit # or Jurisdiction: 82	
*5. Date Committee was Formed: 4/22/2014			
*6a. Committee Phone: (810) 375-7818		6b. Committee Fax #: (810) 248-0807	
6c. Committee Email Address: toddcourser@toddcourser.com		6d. Committee Website Address: toddcourser.com	
*7a. Complete Committee Mailing Address (May be PO Box): 455 S Main St Lapeer, MI 48446			
*7b. Complete Committee Street Address (May not be PO Box): 455 S Main St Lapeer, MI 48446			
*8. Treasurer Name and Complete Address: Tracy Paulus 455 S Main St Lapeer, MI 48446			
Phone #: (810) 248-0813		Email Address: tracypaulus@hotmail.com	
9. Designated Record Keeper Name and Complete Address: Georgeann Courser 455 S Main St Lapeer, MI 48446			
Phone #: (810) 248-0813		Email Address: georgeann@toddcourser.com	
*10. REPORTING WAIVER REQUEST: <input type="checkbox"/> YES, I/We WANT TO APPLY FOR THE REPORTING WAIVER. The committee does not expect to receive or expend in excess of \$1,000 in an election. I/We understand that if the committee does not spend or received in excess of \$1,000 in an election, the committee does not owe Pre, Post, Quarterly and Annual Campaign Statements. I/We further understand that the Reporting Waiver will be automatically lost if the committee exceeds the \$1,000 threshold and all required campaign statements must be filed. A Reporting Waiver does not exempt a committee from filing Late Contribution Reports. <input checked="" type="checkbox"/> NO, I/We DO NOT WANT TO APPLY FOR THE REPORTING WAIVER. The committee expects to receive or expend in excess of \$1,000 in an election. I/We understand that the committee owes Pre, Post, Quarterly and Annual Campaign Statements even if the committee does not spend or receive in excess of \$1,000 in an election. I further understand that the Reporting Waiver cannot be requested retroactively to avoid filing requirements and to avoid paying late filing fees. Further information regarding Reporting Waivers can be found in Appendix C of the Committee Manual.			
*11. Name and Address of Depositories or Intended Depositories of committee funds. (Michigan Bank, Credit Union or Savings & Loan Association) While this item must be completed, an account does not have to be opened until the first contribution is received. *Official Depository (name and address): Chase Bank 1643 N Lapeer Rd Lapeer, MI 48446 Secondary Depository (name and address): _____			
12. <input type="checkbox"/> This item applies only to Gubernatorial Candidate Committees: Check if this committee intends to seek qualifying contributions or make qualifying expenditures.			
13. ELECTRONIC FILING: This item applies to committees that file with the Michigan Department of State Bureau of Elections only and does not apply to Candidate Committees that file with the County Clerk's office. <input checked="" type="checkbox"/> Committee spent or received or expects to spend or receive in excess of \$5,000 and is required to file electronically. <input type="checkbox"/> Committee did not spend or receive or does not expect to spend or receive in excess of \$5,000 and would like to file electronically voluntarily. Further information regarding Electronic Filing can be found in Appendix D of the Committee Manual.			
14. Verification: I/We certify that all reasonable diligence was used in the preparation of the above statement and that the contents are true, accurate and complete to the best of my/our knowledge or belief. If filing electronically, we further agree that the signatures below shall serve as the signatures that verify the accuracy and completeness of each statement filed electronically by the committee. I/We certify that all reasonable diligence will be used in the preparation of each statement electronically filed by this committee and that the contents of each statement will be true, accurate and complete to the best of my/our knowledge or belief. (Sign Name and Date)			
*Candidate:		Date: 4/22/14	*Current Treasurer:
Designated Record Keeper (Required only if filing electronically):		Date: 4/22/14	



METHUEN MI 480
22 APR 2014 PM 16 L



Michigan Department of State
Bureau of Elections
PO Box 20126
Lansing, MI 48901

517033
38 389449
MICHIGAN DEPARTMENT OF STATE
2014 APR 22 PM 16 L

48521072525

ATTACHMENT 2

**MICHIGAN DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
BUREAU OF COMMERCIAL SERVICES**

Date Received

(FOR BUREAU USE ONLY)

FILED

SEP 02 2003

This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.

Administrator **Todd** Info: 8492422-1 08/28/03
BUREAU OF COMMERCIAL SERVICES Chk#: 1150 Amt: \$50.00
ID: TODD A COURSER & CO

Name Todd Courser		
Address 455 S. Main St.		
City Lapeer	State MI	Zip Code 48446

EFFECTIVE DATE:

Document will be returned to the name and address you enter above. If left blank document will be mailed to the registered office.

ARTICLES OF ORGANIZATION

For use by Domestic Limited Liability Companies

(Please read information and instructions on last page)

Pursuant to the provisions of Act 23, Public Acts of 1993, the undersigned execute the following Articles:

B 7084M

ARTICLE I

The name of the limited liability company is: **455 South Main LLC**

ARTICLE II

The purpose or purposes for which the limited liability company is formed is to engage in any activity within the purposes for which a limited liability company may be formed under the Limited Liability Company Act of Michigan.

ARTICLE III

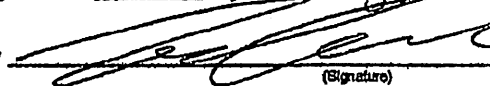
The duration of the limited liability company if other than perpetual is:

ARTICLE IV

- The street address of the location of the registered office is:
455 S. Main St **Lapeer**, Michigan **48446**
(Street Address) (City) (ZIP Code)
- The mailing address of the registered office if different than above:
_____, Michigan _____
(Street Address or P.O. Box) (City) (ZIP Code)
- The name of the resident agent at the registered office is: **Todd Courser**

ARTICLE V (Insert any desired additional provision authorized by the Act; attach additional pages if needed.)

Signed this **18** day of **August**, **2003**

By 
Todd Courser
(Signature) (Type or Print Name)

JB

ATTACHMENT 3

General Property Information**City of Lapeer**[\[Back to Non-Printer Friendly Version\]](#) [\[Send To Printer\]](#)

Parcel: L21-54-300-040-00 Data Current As Of: 11:43 AM 8/05/2014

Property Address[\[collapse\]](#)455 S MAIN ST
LAPEER, MI 48446**Owner Information**[\[collapse\]](#)455 SOUTH MAIN LLC
455 S MAIN ST
LAPEER, MI 48446

Unit:

L

Taxpayer Information[\[collapse\]](#)

SEE OWNER INFORMATION

General Information for Tax Year 2014[\[collapse\]](#)

Property Class:	201 - COMMERCIAL	Assessed Value:	\$75,300
School District:	44010 - LAPEER	Taxable Value:	\$75,300
State Equalized Value:	\$75,300	Map #	COM RETAIL
UNITS	1	Date of Last Name Chg:	08/10/2010

Date Filed:**Notes:** N/A**Historical District:** N/A**Census Block Group:** N/A**Principal Residence Exemption** June 1st Final

2014 0.0000 % 0.0000 %

Previous Year Info	MBOR Assessed	Final S.E.V.	Final Taxable
2013	\$76,600	\$76,600	\$76,600
2012	\$76,800	\$76,800	\$76,800

Land Information[\[collapse\]](#)

	Frontage	Depth
Lot 1:	74.00 Ft.	140.00 Ft.
Lot 2:	0.00 Ft.	0.00 Ft.
Lot 3:	0.00 Ft.	0.00 Ft.
Total Frontage:	74.00 Ft.	Average Depth: 140.00 Ft.

Total Acreage: 0.24**Zoning Code:** B2 GEN**Total Estimated Land Value:** \$105,200**Land Improvements:** \$0**Renaissance Zone:** NO**Renaissance Zone Expiration Date:****Mortgage Code:**
Lot Dimensions/Comments: N/A

Legal Information for L21-54-300-040-00[\[collapse\]](#)

CITY OF LAPEER PLAT OF WHITESVILLE LOT 17 MAIN ST & W 1/2 ADJ VAC ALLEY (L=1 P=73 SEC 5, T7N-R10E)

Sales Information**3 sale record(s) found.**

Sale Date	Sale Price	Instrument	Grantor	Grantee	Terms Of Sale	Liber/Page
08/04/2003	\$170,000.00	WD	ANDERSON, ANDREW ESTATE	COURSER, TODD A & CO.	WD	1767-0477
07/13/2000	\$200,000.00	WD	GARWOLD, CAROL R	ANDERSON, ANDREW	WD	1285- 751
02/05/1005	\$0.00	WD	COURSER, TODD A & CO.	455 SOUTH MAIN ST LLC	OTHER	2042-0139

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ATTACHMENT 4

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Michigan Campaign Statement Expenditure Search

- Committee Name: CITIZENS TO ELECT TODD COURSER
- Statement Type: PRE-PRIMARY CS
- Statement Year: 2014
- Schedule: All

Matches 1-40 of 40

Committee Making Expenditure Sched Type Committee ID-Type	Payee Name Address City, State Zip Exp Type-Purpose	Exp Date	Exp Amt or Value	Support/Oppose Candidate or BQ Office Sought
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>LASER COM</i> 1270 C RANKIN DIRECT TROY, MI 48083-0000 MA-MAILING		07/09/14 \$2,455.26	
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>LASER COM</i> 1270 C RANKIN DIRECT TROY, MI 48083-0000 MA-POSTAGE		07/02/14 \$2,385.27	
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>PATRIOT PRESS INC</i> 1270 C RANKIN DIRECT TROY, MI 48083-0000 PA-PRINTING		07/02/14 \$2,085.02	
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>BELLWETHER STRATEGIES</i> 4154 LAKEVIEW DIRECT ATTICA, MI 48412-0000 CN-CONSULTING		05/20/14 \$2,010.53	
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>BELLWETHER STRATEGIES</i> 4154 LAKEVIEW DIRECT ATTICA, MI 48412-0000 CN-CONSULTING/WEB SERVICES/NATION BUILDERS		06/12/14 \$1,966.97	

<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	DIRECT	<i>LASER COM</i> 1270 C RANKIN TROY, MI 48083-0000 MA-MAILING	07/09/14 \$1,725.00
<hr/>			
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	DIRECT	<i>PATRIOT PRESS INC</i> 1270 C RANKIN TROY, MI 48083-0000 PA-PRINTING	07/09/14 \$1,465.44
<hr/>			
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	DIRECT	<i>PATRIOT PRESS INC</i> 1270 C RANKIN TROY, MI 48083-0000 PA-PRINTING	05/20/14 \$1,319.70
<hr/>			
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	DIRECT	<i>CRAWFORD DESIGN & SOLUTIONS LLC</i> 4198 BLOOD ROAD METAMORA, MI 48455-0000 PA-SUPPLIES	06/23/14 \$1,163.48
<hr/>			
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	DIRECT	<i>WILLO GRAPHIC DESIGN</i> 11809 HOPEWELL ST SCHOOLCRAFT, MI 49087-0000 PA-ADVERTISING	05/20/14 \$612.50
<hr/>			
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	DIRECT	<i>GREAT LAKES LIST CONSULTING</i> 2207 COLLEGE RD HOLT, MI 48842-0000 CN-CONSULTING	05/20/14 \$600.00
<hr/>			
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	DIRECT	<i>LAPEER RENT ALL</i> 1399 IMLAY CITY ROAD LAPEER, MI 48446-0000 EQ-EQUIPMENT RENTAL	07/08/14 \$469.05
<hr/>			
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	DIRECT	<i>FACEBOOK</i> 1601 WILLOW ROAD MENLO PARK, CA 94025-1452 BA-ADVERTISING	06/06/14 \$411.48
<hr/>			
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	DIRECT	<i>ZOOMBALLON</i> 1905 MAIN ST DAVENPORT, IA 52803-	07/16/14 \$340.95

		0000	
		EF-BALLOONS	
<hr/>			
<u>CITIZENS TO ELECT TODD</u>		<i>WILLO GRAPHIC DESIGN</i>	
<u>COURSER</u>		11809 HOPEWELL ST	
517033-CAN	DIRECT	SCHOOLCRAFT, MI 49087-0000	06/12/14 \$335.00
		PA-ADVERTISING	
<hr/>			
<u>CITIZENS TO ELECT TODD</u>		<i>FACEBOOK</i>	
<u>COURSER</u>		1601 WILLOW ROAD	
517033-CAN	DIRECT	MENLO PARK, CA 94025-1452	07/01/14 \$303.23
		BA-ADVERTISING	
<hr/>			
<u>CITIZENS TO ELECT TODD</u>		<i>FILKINS</i>	
<u>COURSER</u>		9056 E LIPPINCOTT BLVD	
517033-CAN	DIRECT	DAVISON, MI 48423-0000	07/02/14 \$287.70
		PA-PRINTING	
<hr/>			
<u>CITIZENS TO ELECT TODD</u>		<i>CRAWFORD DESIGN & SOLUTIONS LLC</i>	
<u>COURSER</u>		4198 BLOOD ROAD	
517033-CAN	DIRECT	METAMORA, MI 48455-0000	06/12/14 \$177.02
		BA-ADVERTISING	
<hr/>			
<u>CITIZENS TO ELECT TODD COURSER</u>		<i>LAPEER RENT ALL</i>	
517033-CAN	DIRECT	1399 IMLAY CITY ROAD	
		LAPEER, MI 48446-0000	06/24/14 \$130.00
		EQ-EQUIPMENT RENTAL	
<hr/>			
<u>CITIZENS TO ELECT TODD COURSER</u>		<i>MICHELLE O'NEAL</i>	
517033-CAN	DIRECT	3528 FISH LAKE RD	
		LAPEER, MI 48446-0000	07/08/14 \$113.01
		EF-PARADE SUPPLIES	
<hr/>			
<u>CITIZENS TO ELECT TODD</u>		<i>DAN COURSER</i>	
<u>COURSER</u>		3528 FISH LAKE RD	
517033-CAN	DIRECT	LAPEER, MI 48446-0000	07/11/14 \$100.00
		OE-REFUND OF CASH CONTRIBUTION	
<hr/>			
<u>CITIZENS TO ELECT TODD</u>		<i>IMLAY CITY DDA</i>	
<u>COURSER</u>		150 NORTH MAIN STREET	
517033-CAN	DIRECT	IMLAY CITY, MI 48444-	06/12/14 \$75.00

0000
NF-PARADE FEE

<u>CITIZENS TO ELECT TODD COURSER</u>	<i>LAPEER RENT ALL</i>	
517033-CAN	1399 IMLAY CITY ROAD	07/16/14 \$60.00
	DIRECT LAPEER, MI 48446-0000	
	EQ-EQUIPMENT RENT	

<u>CITIZENS TO ELECT TODD COURSER</u>	<i>LAPEER COUNTY CHAMBER OF COMMERCE</i>	
517033-CAN	108 WEST PARK STREET	07/15/14 \$50.00
	DIRECT LAPEER, MI 48446-0000	
	PP-PARADE	

<u>CITIZENS TO ELECT TODD COURSER</u>	<i>RADIO SHACK</i>	
517033-CAN	867 S MAIN	06/30/14 \$47.67
	DIRECT LAPEER, MI 48446-0000	
	EQ-EQUIPMENT	

<u>CITIZENS TO ELECT TODD COURSER</u>	<i>MICHELLE ONEAL</i>	
517033-CAN	3528 FISH LAKE RD	06/24/14 \$42.59
	DIRECT LAPEER, MI 48446-0000	
	PP-HELIUM	

<u>CITIZENS TO ELECT TODD COURSER</u>	<i>MICHELLE O'NEAL</i>	
517033-CAN	3528 FISH LAKE RD	07/01/14 \$32.00
	DIRECT LAPEER, MI 48446-0000	
	SA-SUPPLIES	

<u>CITIZENS TO ELECT TODD COURSER</u>	<i>KATHY WHITEKER</i>	
517033-CAN	2519 BURNSIDE	
	DIRECT NORTH BRANCH, MI 48461-0000	06/12/14 \$30.00
	NF-PARADE FEE	

<u>CITIZENS TO ELECT TODD COURSER</u>	<i>HADLEY TOWNSHIP</i>	
517033-CAN	4293 PRATT RD PO BOX 227	07/02/14 \$25.00
	DIRECT HADLEY, MI 48440-0000	
	EF-PARADE FEE	

<u>CITIZENS TO ELECT TODD COURSER</u>	<i>HOME DEPOT</i>	
517033-CAN	1500 SUMMIT DRIVE	07/10/14 \$21.45
	DIRECT LAPEER, MI 48446-0000	
	EF-SIGN EQUIPMENT	

<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>PAYPAL</i> DIRECT 2211 NORTH FIRST ST SAN JOSE, CA 95131-0000 BK-BANK CHARGES	05/31/14 \$21.25
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>LAPEER INTERMEDIATE SCHOOL DISTRICT</i> DIRECT 1996 W OREGON LAPEER, MI 48446-0000 NF-FEE	06/24/14 \$20.00
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>CHASE BANK</i> DIRECT 1643 N LAPEER LAPEER, MI 48446-0000 BK-BANK CHARGE	05/31/14 \$15.00
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>CHASE BANK</i> DIRECT 1643 N LAPEER LAPEER, MI 48446-0000 BK-BANK CHARGE	06/30/14 \$15.00
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>CHASE BANK</i> DIRECT 1643 N LAPEER LAPEER, MI 48446-0000 BK-BANK CHARGE	04/30/14 \$15.00
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>DEMOCRACY ENGINE LLC</i> DIRECT 850 QUINCY STREET NW #402 WASHINGTON, DC 20011-0000 BK-BANK CHARGE	07/14/14 \$14.65
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>PAYPAL</i> DIRECT 2211 NORTH FIRST ST SAN JOSE, CA 95131-0000 BK-BANK CHARGES	04/30/14 \$8.91
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>HOME DEPOT</i> DIRECT 1500 SUMMIT DRIVE LAPEER, MI 48446-0000 EQ-SUPPLIES	07/03/14 \$7.50
<u>CITIZENS TO ELECT TODD COURSER</u> 517033-CAN	<i>DEMOCRACY ENGINE LLC</i> DIRECT 850 QUINCY STREET NW #402 WASHINGTON, DC 20011-	06/11/14 \$3.95

0000

BK-BANK CHARGE

CITIZENS TO ELECT TODD
COURSER
517033-CAN

DEMOCRACY ENGINE LLC
850 QUINCY STREET NW
#402
DIRECT WASHINGTON, DC 20011-0000 06/04/14 \$1.13
BK-BANK CHARGES

Matches 1-40 of 40

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MICHIGAN CAMPAIGN STATEMENT CONTRIBUTIONS

Committee Name: CITIZENS TO ELECT TODD COURSER
 Statement Type: PRE-PRIMARY CS
 Statement Year: 2014
 Schedule: MONTHLY CONTRIBUTIONS

Matches 1 of 2

Receiving Committee Name Committee ID-Type	Schedule Type Description	Received From Address Occupation-Employer	City State Zip	Date	Amount	Cumul
CITIZENS TO ELECT TODD COURSER 517023-CAN	MONTHLY VICTORY PHONES ROBO CALL	TODD COURSER 2110 MURPHY LANE ATTN: TODD COURSER ATTN: PLLC	SILVERWOOD MI 48704-4500	04/30/14	\$250.00	\$250.00
CITIZENS TO ELECT TODD COURSER 517023-CAN	MONTHLY PLANS FEE	TODD COURSER 2110 MURPHY LANE	SILVERWOOD MI 48704-4500	04/22/14	\$100.00	\$350.00

Matches 1 of 2

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

September 24, 2014

Elizabeth DeShone
215 South Washington Square, Suite B
Lansing, Michigan 48933

Dear Ms. DeShone:

The Department of State received a response to the complaints you filed against Citizens to Elect Todd Courser and Todd Courser, PLLC, which concern alleged violations of the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, MCL 169.201 *et seq.* A copy of the response is provided as an enclosure with this letter.

If you elect to file a rebuttal statement, you are required to send it within 10 business days of the date of this letter to the Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918.

Sincerely,

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Tracy Paulus
Todd Courser

September 3, 2014

Ruth Johnson, Secretary of State
Michigan Department of State
Lansing, MI 48918

Via Certified Mail

Dear Secretary of State,

I am enclosing my response to the allegations of violations of the Michigan Campaign Finance Act. Included is my understanding of the accusations made by Ms. DeShone.

Kindest Regards,

Tracy Paulus

c/o Bureau of Elections
Richard H. Austin Building
435 W. Allegan
Lansing, MI 48918

BUREAU OF ELECTIONS
2014 SEP - 8 P 3:48
DEPT OF STATE

To Whom It May Concern:

Response to the Campaign Finance Complaint dated 08-05-14, filed by Ms. Elizabeth DeShone.

Response to Ms. DeShone regarding Allegations of violation of Section 33 (10)

While CTE Todd Courser does receive mail and store some campaign material at 455 S. Main St., Lapeer, MI 48446, we haven't held any volunteer or campaign events at that location, so the thought didn't even occur to us that this should be reported as an in kind donation. The building is owned by an LLC, of which Todd Courser is a member, so can be accounted for as an in kind contribution from the candidate. After speaking with the Secretary of State regarding this matter, they advised that we file an amendment to our pre primary report for the in kind donation of office space which we have completed as of 9/03/2014.

Response to Ms. DeShone regarding Allegations of failure to file a committee for 455 South Main, LLC.

As noted above Todd Courser is a member of 455 South Main, LLC and thus owns the office space in question. According to the Michigan SOS Candidate Committee Manual, donations from an LLC can be attributed to either the LLC or any partner of the LLC. As noted above we have filed an amended report to account for the in kind donation of office space. Because this in kind donation is from the candidate, 455 South Main, LLC is not required to file a committee and therefore has not violated the MCFA.

Response to Ms. DeShone regarding Allegations of failure to account for website domain, "toddcourser.com" dated 07-31-14.

The website domain "toddcourser.com" has been owned by Todd Courser for many years and has automatic renewal enabled for convenience. Because of the length of ownership and automatic renewal process, it didn't occur to us that we should account for the in kind donation to the campaign. After consulting the Michigan SOS office via phone we were advised to file an amendment to our pre primary report which we have completed as of 9/03/2014.

Other Comments

As noted in the Michigan SOS letter dated August 13, 2014, from Lori A. Bourbonais, Ms. DeShone's accusations of impermissible corporate contributions are without basis according to the Attorney General. Restrictions on corporate contributions do not apply to limited liability companies or their members. We appreciate the prompt dismissal of these allegations by the Secretary of State.



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

May 6, 2015

Tracy Paulus, Treasurer
Citizens to Elect Todd Courser
455 South Main Street
Lapeer, Michigan 48446

The Honorable Todd Courser
Todd A. Courser, PLLC
455 South Main, LLC
455 South Main Street
Lapeer, Michigan 48446

Dear Ms. Paulus and Rep. Courser:

The Department of State (Department) has completed its investigation of the complaints filed against Citizens to Elect Todd Courser (Committee), Todd A. Courser, PLLC, and 455 South Main, LLC by Elizabeth DeShone, which alleged certain violations of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* This letter concerns the disposition of Ms. DeShone's complaints.

Please note that the Department dismissed the allegation against Todd A. Courser, PLLC in its letter dated August 13, 2014.

Ms. DeShone filed her complaints on July 31, 2014 and August 5, 2014. You filed a written response on September 8, 2014. Ms. DeShone did not file a rebuttal statement with the Department.

The MCFA requires a committee to file a statement of organization within 10 days after a committee is formed. MCL 169.224(1). Late fees may be incurred if the statement of organization is filed late. *Id.* Failure to file a statement of organization for more than 30 days is a misdemeanor offense. *Id.* By statutory definition, a committee is formed when "a person¹ receives contributions or makes expenditures for the purpose of influencing or attempting to influence the action of voters for or against the nomination or election of a candidate . . . if contributions received total \$500.00 or more in a calendar year or expenditures made total \$500.00 or more in a calendar year." MCL 169.203(4). A statement of organization must be filed within 10 days of reaching one of these \$500.00 thresholds.

¹ Under the MCFA, "person" includes a business, partnership, or company. MCL 169.211(2).

The Act further requires committees to file periodic campaign finance statements and reports. MCL 169.233, 235. The failure to file a single campaign statement may trigger late filing fees. MCL 169.233(7), 235(3). In certain circumstances, a failure to file may constitute a misdemeanor offense. MCL 169.233(8), 235(5).

The MCFA also requires filed campaign finance statements and reports to be complete and accurate. MCL 169.233. A treasurer who knowingly files an incomplete or inaccurate statement or report may be subject to a civil fine of up to \$1,000.00. MCL 169.233(10). A treasurer who knowingly omits or underreports a contribution or expenditure may be subject to a civil fine of up to \$1,000.00, or the amount of the undisclosed contribution or expenditure, whichever is greater. MCL 169.233(11).

Finally, the Act also requires the Department to “endeavor to correct the violation or prevent a further violation by using informal methods [.]” if it finds that there may be reason to believe that a violation has occurred, and if the Department is unable to correct or prevent additional violations, it must ask the Attorney General to prosecute if a crime has been committed. MCL 169.215(10)(a). The objective of an informal resolution is “to correct the violation or prevent a further violation [.]” *Id.*

Ms. DeShone alleged that 455 South Main, LLC made in-kind contributions to the Committee exceeding the \$500.00 threshold and did not file a statement of organization or any required campaign finance statements. Ms. DeShone alleged that the Committee conducted its campaign activities at office space owned by 455 South Main, LLC, triggering the registration and reporting requirements of the Act

In your response, you indicated that Rep. Courser is a member of 455 South Main, LLC, which owns the office space in question. The Attorney General has stated that because a limited liability company is similar to a partnership, like a partnership, “contributions from a limited liability company may be attributable to individual members if the contributions are accompanied by written statements containing the names and addresses of the contributing members and the amounts of their contributions.” AG Opinion #6807 (June 23, 1994). (Enclosed). You further indicated in your answer that the Committee filed a report with the Department which discloses the in-kind contribution of office space from Rep. Courser.

Because the in-kind contribution for office space was received from Rep. Courser individually, and not 455 South Main, LLC, this contribution did not cause 455 South Main, LLC to meet the definition of “committee” as defined by the Act, and 455 South Main, LLC did not become subject to the registration and reporting requirement of the Act based on the use of office space. In the absence of evidence of any other contribution or expenditure made by 455 South Main, LLC, this portion of Ms. DeShone’s complaint is dismissed.

Ms. DeShone also alleged that the Committee filed an incomplete or inaccurate 2014 Pre-Primary report because it did not disclose any in-kind contributions or expenditures for office space rental or for the use of the website domain name www.toddcourser.com.

In your answer you admitted that the Committee receives mail and stores some campaign material at 455 South Main Street, Lapeer, Michigan 48846, but it did not occur to the

Committee that office space rental should be reported because the Committee had not "held any volunteer or campaign events at that location." You indicated, however, that as soon as the issue was brought to your attention, you contacted the Secretary of State and you were advised to file an amended pre-primary report.

You filed this amended report on September 3, 2014. This report discloses a \$1,500.00 in-kind contribution from Todd Courser for rent for office space.

In your answer you further admitted that the website domain toddcourser.com has been owned by Rep. Courser for many years. You indicated that the ownership is automatically renewed for convenience. You also indicated that "[b]ecause of the length of ownership and automatic renewal process, it didn't occur to [the Committee] that [the Committee] should account for the in kind donation to the campaign." You were advised by the Secretary of State office to also add this in-kind contribution when you filed your amended pre-primary report.

The amended report filed on September 3, 2014 discloses a \$33.00 in-kind contribution from Rep. Courser for the website.

When the omissions of the office-space rental and website in-kind contributions were brought to your attention, amended campaign statements were promptly filed addressing these transactions.

Because these alleged violations were quickly corrected and the Department is satisfied that proper disclosure has now been made, in accordance with the Department's authority to informally resolve complaints through corrective action, MCL 169.215(10), the Department now issues this warning letter.

The Department is advising you that section 33 requires you to timely file complete and accurate campaign finance statements and reports which disclose all contributions and expenditures made during the reporting period. Please be advised that this notice has served to remind you of your obligation under the Act to file complete and accurate statements, and may be used in future proceedings as evidence that tends to establish a knowing violation of the Act. A candidate who knowingly files an incomplete or inaccurate statement or knowingly omits or underreports a contribution or expenditure may be subject to civil fines of up to \$1,000.00 or the amount of the undisclosed contribution or expenditure, whichever is greater. MCL 169.233(10), (11).

The Department now considers the complaint resolved and this matter closed.

Sincerely,



Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Elizabeth DeShone

The following opinion is presented on-line for informational use only and does not replace the official version. (Mich Dept of Attorney General Web Site - www.ag.state.mi.us)

STATE OF MICHIGAN
FRANK J. KELLEY, ATTORNEY GENERAL

Opinion No. 6807

June 23, 1994

CORPORATIONS:

Ban on corporate political contributions or expenditures in elections for state office

LIMITED LIABILITY COMPANIES:

Ban on corporate political contributions or expenditures in elections for state office

MICHIGAN CAMPAIGN FINANCE ACT:

Ban on corporate political contributions or expenditures in elections for state office

The prohibition on corporations making contributions or expenditures in elections for state office in section 54(1) of the Michigan Campaign Finance Act does not apply to limited liability companies formed under the Michigan Limited Liability Company Act.

Contributions or expenditures to a candidate from a limited liability company may be attributed to individual members of the company.

A limited liability company that has a corporation as a member may not make contributions or expenditures in elections for state office with funds derived from the corporate member.

A limited liability company that has a corporation as a member may make contributions or expenditures in elections for state office with segregated funds derived from the non-corporate members of the limited liability company.

Honorable Richard H. Austin

Secretary of State

Treasury Building

Lansing, Michigan

You have asked several questions regarding the ability of limited liability companies formed under the Michigan Limited Liability Company Act (LLCA), 1993 PA 23, MCL 450.4101 et seq; MSA 21.198(4101) et seq, to make political contributions. Your first question is whether the prohibition on corporate contributions or expenditures in elections for state office in section 54(1) of the Michigan Campaign Finance Act (CFA), 1976 PA 388, MCL 169.254 (1); MSA 4.1703(54)(1), applies to limited liability companies formed under the LLCA.

The LLCA authorizes a new form of organization for conducting business. In a limited liability company the members of the company, like the shareholders of a corporation, are not personally liable for the debts of the organization. See section 501(2) of the LLCA. But section 204(2)(b) and (2)(c)(ii) requires a limited liability company to distinguish itself from a corporation in its name. Unlike a corporation, a limited liability company does not have an unlimited duration. See sections 203(1)(e) and 801 of the LLCA. Finally, the LLCA is designed so that limited liability

companies will be treated like partnerships rather than corporations for federal income tax purposes. House Legislative Analysis, HB4023, May 26, 1993.

In *Austin v Michigan Chamber of Commerce*, 494 US 652; 110 SCt 1391; 108 LEd2d 652 (1990), on remand 937 F2d 608 (1991), the United States Supreme Court upheld the constitutionality of the section 54(1) prohibition on corporate contributions or expenditures in elections for state office. In reaching that result, the Court made it clear that the section 54(1) prohibition on corporate contributions did not apply to "unincorporated associations." *Austin*, supra, at 666.

Section 102(2)(i) of the LLCA defines a "limited liability company" as "an entity that is an unincorporated association having 2 or more members and is formed under this act." (Emphasis added.) Based on this statutory definition, it is clear that a limited liability company is not a corporation subject to the prohibitions on campaign contributions in section 54(1) of the Michigan Campaign Finance Act.

It is my opinion, therefore, that the prohibition on corporations making contributions or expenditures in elections for state office in section 54(1) of the Michigan Campaign Finance Act does not apply to limited liability companies formed under the Michigan Limited Liability Company Act.

Your second question is whether contributions or expenditures to a candidate from a limited liability company may be attributed to individual members of the company. There is currently no specific statutory or administrative rule covering how political contributions of a limited liability company account must be attributed.

The main purpose of the LLCA is to provide a form of business organization in which the limited liability company's members are not personally liable for the company's debts while securing the same federal tax treatment as partnerships. House Legislative Analysis, HB4023, May 26, 1993. If properly structured, a limited liability company will be treated as a pass-through entity for federal income tax purposes. See Rev.Rul. 88-76, 1988-2 CB 360. Pass-through entities are not subject to federal income tax at the entity level, unlike corporations.

Your department has addressed this issue, in the context of partnerships, in 1982 AACCS, R 169.35a, which provides:

(1) A contribution drawn on a partnership account shall be attributed to the partners as individuals, and not to the partnership, if the contribution is accompanied by a written statement containing the name and address of each contributing partner and the amount of each partner's contribution. The statement shall include the occupation, employer, and principal place of business of each individual who is a member of the partnership and contributed \$200.01 or more for that election.

(2) A committee which receives a written statement attributing a partnership contribution to the partners as individuals shall report the contribution as if the committee had received a separate contribution from each individual. [Emphasis added.]

Rule 169.35a recognizes that, in Michigan, a partnership is a distinct legal entity separate from the individual partners. *Employment Security Comm v Crane*, 334 Mich 411, 416; 54 NW2d 616 (1952). Contributions drawn on a partnership account are attributed to partners as individuals if they are accompanied by written statements containing the names and addresses of the contributing partners and the amounts of their contributions. Individual partners are not required to form a committee pursuant to MCL 169.203(4); MSA 4.1703(3)4), even if their contributions exceed \$500.00.

The same reasoning underlying Rule 169.35a may be applied to an entity organized under the LLCA. Under section 304 of the LLCA, a limited liability company is similar to a partnership in that a member is entitled to receive distributions from the company before the member's withdrawal and before dissolution. The member, subject to any restrictions in the company's operating agreement and other limitations in the LLCA, may reach his or her draw or share. The individual members are separate and distinct from the limited liability company similar to a partner in a partnership. See section 102(2)(i) and (1) of the LLCA. Accordingly, like a partnership, contributions from a limited liability company may be attributable to individual members if the contributions are accompanied by written statements containing the names and addresses of the contributing members and the amounts of their contributions.

It is my opinion, therefore, that contributions or expenditures to a candidate from a limited liability company may be attributed to individual members of the company.

Your third question is whether a limited liability company that has a corporation as a member may make contributions or expenditures in elections for state office with funds derived from the corporate member. Under section 102(2)(i)(1)

and (o) of the LLCA, a corporation may be a member of a limited liability company. However, there is no language in the LLCA that suggests that the Legislature, in passing that statute, intended to relax the ban on corporate contributions and expenditures in elections for state office found in section 54(1) of the CFA.

The courts have consistently upheld the power of the Michigan Legislature to prohibit corporate contributions or expenditures in elections for state office to preserve the integrity of the elective process. In *People v Gansley*, 191 Mich 357, 376; 158 NW 195 (1916), the Court stated:

It is probable that the legislature had in mind the fact that it is matter of history that corporations have in many instances used their funds (acting through and by their officers) to influence elections, and that body believed that such practice was an abuse and menace to good government, which it sought to remedy by this legislation. The record, in our opinion, is a justification for the legislation complained of.

It was for the legislature to say, in the exercise of the police power, whether such use of corporate funds opened the door to corruption and tended to destroy safeguards sought to be placed around elections to "protect the purity of the ballot."

More recently, in *Advisory Opinion on the Constitutionality of 1975 PA 227* (Questions 2-10), 396 Mich 465, 492; 242 NW2d 3 (1976), four Justices of the Michigan Supreme Court stated:

The legislative intent in prohibiting financial involvement of corporations in the elective process was to prevent the use of corporate funds to impose undue influence upon elections. Large aggregations of capital controlled by a few persons could have a significant impact upon the nomination or election of a candidate. The possibility of misuse of corporate assets by persons acting on behalf of uninformed or unwilling shareholders and the attempts at influence or importunity which might be exerted upon a successfully elected candidate by a contributing corporation represent abuses which the passage of the corrupt practices act sought to eliminate. [Footnote omitted.]

In *Austin*, supra, 494 US, at 659-660, the Supreme Court majority ruled:

[M]ichigan's regulation aims at a different type of corruption in the political arena: the corrosive and distorting effects of immense aggregations of wealth that are accumulated with the help of the corporate form and that have little or no correlation to the public's support for the corporation's political ideas. See supra, at 658-659, 108 LEd2d, at 691. The Act does not attempt "to equalize the relative influence of speakers on elections," rather, it ensures that expenditures reflect actual public support for the political ideas espoused by corporations. We emphasize that the mere fact that corporations may accumulate large amounts of wealth is not the justification for Sec. 54; rather, the unique state conferred corporate structure that facilitates the amassing of large treasuries warrants the limit on independent expenditures. Corporate wealth can unfairly influence elections when it is deployed in the form of independent expenditures, just as it can when it assumes the guise of political contributions. We therefore hold that the State has articulated a sufficiently compelling rationale to support its restriction on independent expenditures by corporations. [Citations omitted.]

If corporations could contribute to candidates for state office indirectly through limited liability companies, it would render the prohibition on corporate contributions in section 54(1) of the CFA meaningless. The legislative intention in passing the LLCA was to authorize a new form of business entity for liability and tax purposes, not to eliminate the ban on corporate contributions in elections for state office.

It is my opinion, therefore, that a limited liability company that has a corporation as a member may not make contributions or expenditures in elections for state office with funds derived from the corporate member.

Your fourth question is whether a limited liability company that has a corporation as a member may make contributions or expenditures in elections for state office with funds derived from the non-corporate members of the limited liability company. There is no prohibition on contributions or expenditures in elections for state office by the non-corporate members. Thus, the limited liability company may make contributions and expenditures in elections for state office with segregated funds derived from the non-corporate members. Given the prohibition on corporate contributions, the limited liability company may not make contributions or expenditures in elections for state office unless it segregates its funds so the contributions are made only with funds derived from the non-corporate members.

It is my opinion, therefore, that a limited liability company that has a corporation as a member may make contributions or expenditures in elections for state office with segregated funds derived from the non-corporate members of the limited liability company.

Frank J. Kelley

Attorney General

<http://opinion/datafiles/1990s/op06807.htm>

State of Michigan, Department of Attorney General

Last Updated 11/10/2008 16:49:34