

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

July 30, 2014

Lisa Brown 4480 Strathdale Lane West Bloomfield, Michigan 48323

Dear Ms. Brown:

The Department of State (Department) received a formal complaint filed against you by Kim Jorns, alleging a violation of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 et seq. The investigation and resolution of this complaint is governed by section 15 of the Act and the corresponding administrative rules, R 169.51 et seq. Copies of the complaint and supporting documentation are enclosed with this letter.

The Act's definition of a candidate includes an individual who "[r]eceives a contribution, makes an expenditure, or gives consent for another person to receive a contribution or make an expenditure with a view to bringing about the individual's nomination or election to an elective office, whether or not the specific elective office for which the individual will seek nomination or election is known at the time the contribution is received or the expenditure is made." MCL 169.203(1)(c). The Act further requires an individual to form a candidate committee within 10 days once the individual becomes a candidate under the definition provided in the Act. MCL 169.203(2), 169.221(1). A committee shall file a statement of organization within 10 days of its formation. 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. *Id.*

Ms. Jorns alleges that you met the definition of candidate contained in the Act and have failed to form a candidate committee and have failed to file a statement of organization.

The purpose of this letter is to inform you of the Department's examination of these matters and your right to respond to the allegations before the Department proceeds further. <u>It is important to understand that the Department is neither making this complaint nor accepting the allegations as true.</u>

If you wish to file a written response to this complaint, you are required to do so within 15 business days of the date of this letter. Your response may include any written statement or additional documentary evidence you wish to submit. All materials must be sent to the Department of State, Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918. If you fail to submit a response, the Department will render a decision based on the evidence furnished by the complainant.

A copy of your reply will be provided to Ms. Jorns, who will have an opportunity to submit a rebuttal statement to the Department. After reviewing all of the statements and materials

Lisa Brown July 30, 2014 Page 2

provided by the parties, the Department will determine whether "there may be reason to believe that a violation of [the MCFA] has occurred [.]" MCL 169.215(10). Note that the Department's enforcement powers include the possibility of entering a conciliation agreement, conducting an administrative hearing, or referring this matter to the Attorney General for enforcement of the criminal penalty provided in section 24(1) of the Act.

If you have any questions concerning this matter, you may contact me at (517) 241-0395.

Sincerely,

Lori A. Bourbonais
Bureau of Elections

Michigan Department of State

Loui A Bourbonano

c: Kim Jorns

Complaint Against:

Lisa Brown
Committee Identification No.
4480 Strathdale Lane
West Bloomfield, MI 48323
Telephone number: (248) 538-7758

Complainant:

Kim Jorns 520 Seymour Street Lansing, MI 48933 Telephone number: 517.487.5413

Dated: July 21, 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

COMPLAINT

Complainant, Kim Jorns, whose address is 520 Seymour Street, Lansing, Michigan 48933, Telephone: 517.487.5413, declares to the Michigan Secretary of State the following:

STATEMENT OF FACTS

- 1. Lisa Brown is a candidate for the office of Lt. Governor. See Attachment 1.
- 2. According to Section 3(1) of the Michigan Campaign Finance Act, a "candidate" means, among other things, an individual:

"who receives a contribution, makes an expenditure, or gives consent for another person to receive a contribution or make an expenditure with a view to bringing about the individual's nomination or election to an elective office, whether or not the specific elective office for which the individual will seek nomination or election is known at the time the contribution is received or the expenditure is made;"

3. According to Section 21(1) of the Michigan Campaign Finance Act:

"A candidate, within 10 days after becoming a candidate, shall form a candidate committee."

4. According to Section 24(1) of the Michigan Campaign Finance Act:

"A committee shall file a statement of organization with the filing officials designated in section 36 to receive the committee's campaign statements. A statement of organization shall be filed within 10 days after a committee is formed. A filing official shall maintain a statement of organization filed by a committee until 5 years after the official date of the committee's dissolution. A person who fails to file a statement of organization required by this subsection shall pay a late filing fee of \$10.00 for each business day the statement remains not filed in violation of this subsection. The late filing fee shall not exceed \$300.00. A person who violates this subsection by failing to file for more than 30 days after a statement of organization is required to be filed is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00." (Emphasis supplied).

- 5. As Attachment 1 indicates, the Respondent is a candidate for the office of Lt. Governor, having announced her candidacy on or before April 3, 2014. Consequently:
 - (a) Lisa Brown became a "candidate" on or before April 3, 2014. MCL 169.203(1)(c).

- (b) Lisa Brown was required to form a candidate committee by no later than April 13, 2014. MCL 169.221(1).
- (c) Lisa Brown was required to file a statement of organization by no later than April 23, 2014. MCL 169.224(1).
- 6. However, as the date of this Complaint, Lisa Brown has not file a statement of organization with the Michigan Department of State.
 - 7. Accordingly, as Section 24(1) of the Michigan Campaign Act indicates:

"A person who fails to file a statement of organization required by this subsection shall pay a late filing fee of \$10.00 for each business day the statement remains not filed in violation of this subsection. The late filing fee shall not exceed \$300.00. A person who violates this subsection by failing to file for more than 30 days after a statement of organization is required to be filed is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00." (Emphasis supplied).

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 Respondent has violated Section 24 of the Michigan Campaign Finance Act and to assess all appropriate penalties. Further, the Complainant respectfully requests the Secretary of State refer this matter to the Michigan Attorney General for the enforcement of appropriate criminal penalties.

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.

Respectfully submitted,

Kim Jorns

Dated: July 21, 2014

Attachment 1



MARK'S STORY

ON THE ISSUES

SEE MEDIA

VOLUNTEER

CONTRIBUTE



Schauer Chooses Oakland County Clerk Lisa Brown as Running Mate

April E, 2014

Brown an outspoken fighter for middle class families, education, equal rights

LANSING – Today Democratic gubernatorial candidate (Mark Schauer announced that he has chosen Oakland County Clark Lisa Brown (D-West Bloomfield) to be his running mate. Brown previously served in the Michigan Legislature, where she was an outspoken champion for middle class families, strong schools, and equal rights.

"Liss Brown is a proven leader who's always been a tough fighter for the middle dass," said **Schauer.** "In the Legislature, Liss led the charge against Governor Snyder's \$1 billion out to education, and as Cakland County Clerk, she's been a fearless champion for equal rights. Liss shares my values and priorities for making education our top economic priority, and working to make Withigan's economy fairer for the middle class. Make no mistake, Lisa Brown will make a terrific Lt. Governor."

Brown was elected to serve as Gakland County Clark and Register of Deeds in 2012, after defeating Republican incumbent Bill Bullard. As Clark, she has been a strong voice for marriage equality, while fighting to bring an end to mortgage fraud, and protecting the right to vote.

Brown previously served as a State Representative for Michigan's 35th House District from 2015 to 2012, which included Commerce Township, Wast Bioomfeld, and Wolverine Lake. While serving in the Legislature, Brown was Vite Chair of the Education Policy Committee.

"Michigan needs a governor who will fight for good jobs, great schools, and a strong middle class, and that's why I'm so proud to be running with Mark Schauer," said Brown. "Rick Snyder is out of touch, and has the wrong priorities for Michigan. Snyder gave a huge \$1.8 billion tax break to corporations even if they outsource Michigan jobs, and he paid for it by outsing funding for schools and taxing retirement income. As governor, Mark will fight to and tax breaks and bad trade deals that ship our jobs oversess. That's the kind of leadership Michigan's middle class can count on."

A lifelong resident of Oakland County, Lisa Brown lives in West Bloomfield. She is a graduate of Michigan. State University and the Detroit College of Law, and a member of the State Bar of Michigan.

###

🗏 Tweet 22

1# LEGS 1

Mark Schauer

| Mark Schauer | So A |
| Mark Schauer |

Pajd for by Mark Schauer for Governor PO Box 100, Battle Creek, MI 49016.

CONTACT PRIVACY POLICY



a big announcement

A Marine Georgia

Mark Schauer <info@markschauer.com>
Reply-To: info@markschauer.com

Thu, Apr 3, 2014 at 9:31 AM

I wanted you to be the first to know that...





As one of our strongest supporters, I wanted you to be the first to know that Lisa Brown will be my running mate in the race for governor. Lisa is a proven leader who will be a perfect partner in our fight to reclaim Michigan's future.

Lisa was a standout lawmaker when she served in the Michigan Legislature, particularly when she led the charge against Governor Snyder's \$1 billion education cut. And in her current role as Oakland County Clerk, she's been a tireless champion of middle-class families, strengthening our schools and ensuring equal rights for all.

Are you as excited as I am? Add your name and let us know that you're ready and fired up to get behind our campaign all the way towards a win in November!



Standing up to Snyder and the GOP attack machine isn't easy, which is why I chose someone like Lisa. She was one of the first clerks to announce that she would support equality and perform marriages of same-sex couples. And when she was a state representative, she didn't let the GOP stop her from standing up for her beliefs and the people she was elected to represent. That's why we're lucky to have her on our side.

Be sure to sign on and let Lisa know you're all in!

Thanks for your support,

Mark

PS: A special thank you to all of you who donated to help us respond to the latest round of dishonest attacks from Governor Snyder's allies in Washington.

Click here to follow Mark on Twitter - Click here to like Mark on Facebook

Paid for by Mark Schauer for Governor PO Box 100, Battle Creek, MI 49016

Click here to unsubscribe if you'd like to unsubscribe from these messages.

2014 AUG 22 PM 3: 29

August 18, 2014

Lori Bourbonais
Bureau of Elections
Michigan Department of State
430 W. Allegan, 1st Floor
Lansing, MI 48918

* Gerald H. Acker

** Barry J. Goodman
Tim Sulolli
Kevin Z. Komar
Larry R. Maitland II
Bradley M. Peri
Mark Brewer
Jordan B. Acker
Johnny A. Hamood
Charles W. Wojno
Eboney R. Hughes

*Also admitted in DC Also admitted in Florida**

www.goodmanacker.com

Re: Kim Jorns Complaint

Dear Ms. Bourbonais,

This is the response of Lisa Brown to the complaint filed by Kim Jorns concerning Ms. Brown's alleged failure to form a candidate committee and file a statement of organization in violation MCL 169.224(1).

This complaint is meritless for several reasons.

First, the complaint provides no evidence whatsoever of a violation. The Bureau dismisses complaints such as this which fail to substantiate their allegations.

Second, because her candidacy for Lieutenant Governor is unopposed, Brown has neither "received a contribution" nor "made an expenditure" to "bring about her nomination" (MCL § 169.203(1)(c)) as Lieutenant Governor at the August 23-24, 2014 Michigan Democratic Party Convention. Her campaign efforts have been devoted to advocacy of the election of Mark Schauer as Governor. As such she is not required to form a candidate committee or file a statement of organization.

Notwithstanding the above, as part of her ongoing good faith efforts to resolve this matter, Brown filed a Statement of Organization on August 11, 2014. This filing was done without prejudice to her defenses against this complaint and without an admission of wrongdoing.



For all of these reasons, this meritless, and now moot, complaint should be dismissed.

Very truly yours,

GOODMAN ACKER, P.C.

Mark Brewer

cc: Lisa Brown



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

August 20, 2014

Mark Brewer Goodman Acker PC 17000 West 10 Mile Road, Floor 2 Southfield, Michigan 48075

Dear Mr. Brewer:

The Department of State (Department) received a formal complaint filed by Kim Jorns on July 23, 2014 against your client, Lisa Brown, alleging a violation of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq*. This letter concerns the disposition of Ms. Jorns' complaint.

The Act's definition of a candidate includes an individual who "[r]eceives a contribution, makes an expenditure, or gives consent for another person to receive a contribution or make an expenditure with a view to bringing about the individual's nomination or election to an elective office, whether or not the specific elective office for which the individual will seek nomination or election is known at the time the contribution is received or the expenditure is made." MCL 169.203(1)(c). The Act further requires an individual to form a candidate committee within 10 days once the individual becomes a candidate under the definition provided in the Act. MCL 169.203(2), 169.221(1). A committee shall file a statement of organization within 10 days of its formation. 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. *Id.*

Ms. Jorns alleged that Ms. Brown failed to timely file her Statement of Organization for her Lt. Governor candidate committee.

The Department provided notice of the complaint to Ms. Brown by letter dated July 30, 2014. Upon receiving notice, you contacted the Department and offered to resolve the matter. The Department is required by law to attempt to resolve these matters informally. MCL 169.215(10)

On August 11, 2014, Ms. Brown filed a Statement of Organization for her Lt. Governor candidate committee, Lisa Brown's Committee to Elect Mark Schauer. The Statement of Organization indicates that the committee was formed on April 3, 2014. Accordingly, the Department has assessed the committee a \$300.00 late-filing fee.

The Department is satisfied that Ms. Brown took appropriate corrective measures once the matter was brought to her attention, and no further enforcement action will be taken. The Department notes that the Act may only be enforced through remedies provided in the Act, and criminal penalties may only be enforced by the Attorney General upon referral by the Secretary of State. MCL 169.215(17). The Department considers this letter to be a final determination and will not

Mark Brewer August 20, 2014 Page 2

seek any further civil or criminal enforcement action with respect to this matter. Once the Department receives the \$300.00 late-filing fee, this matter will be closed.

Sincerely,

Lori A. Bourbonais

Bureau of Elections

Michigan Department of State

c: Kim Jorns

BUREAU OF ELECTIONS MI DEPT OF STATE

2014 AUG 21 PM 3: 42

State of Michigan Ruth Johnson, Secretary of State DEPARTMENT OF STATE Lansing

August 20, 2014

Mark Brewer Goodman Acker PC 17000 West 10 Mile Road, Floor 2 Southfield, Michigan 48075

Dear Mr. Brewer:

The Department of State (Department) received a formal complaint filed by Kim Jorns on July 23, 2014 against your client, Lisa Brown, alleging a violation of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq*. This letter concerns the disposition of Ms. Jorns' complaint.

The Act's definition of a candidate includes an individual who "[r]eceives a contribution, makes an expenditure, or gives consent for another person to receive a contribution or make an expenditure with a view to bringing about the individual's nomination or election to an elective office, whether or not the specific elective office for which the individual will seek nomination or election is known at the time the contribution is received or the expenditure is made." MCL 169.203(1)(c). The Act further requires an individual to form a candidate committee within 10 days once the individual becomes a candidate under the definition provided in the Act. MCL 169.203(2), 169.221(1). A committee shall file a statement of organization within 10 days of its formation. 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. *Id.*

Ms. Jorns alleged that Ms. Brown failed to timely file her Statement of Organization for her Lt. Governor candidate committee.

The Department provided notice of the complaint to Ms. Brown by letter dated July 30, 2014. Upon receiving notice, you contacted the Department and offered to resolve the matter. The Department is required by law to attempt to resolve these matters informally. MCL 169.215(10).

On August 11, 2014, Ms. Brown filed a Statement of Organization for her Lt. Governor candidate committee, Lisä Brown's Committee to Elect Mark Schauer. The Statement of Organization indicates that the committee was formed on April 3, 2014. Accordingly, the Department has assessed the committee a \$300.00 late-filing fee.

The Department is satisfied that Ms. Brown took appropriate corrective measures once the matter was brought to her attention, and no further enforcement action will be taken. The Department notes that the Act may only be enforced through remedies provided in the Act, and criminal penalties may only be enforced by the Attorney General upon referral by the Secretary of State. MCL 169.215(17). The Department considers this letter to be a final determination and will not

Mark Brewer August 20, 2014 Page 2

seek any further civil or criminal enforcement action with respect to this matter. Once the Department receives the \$300.00 late-filing fee, this matter will be closed.

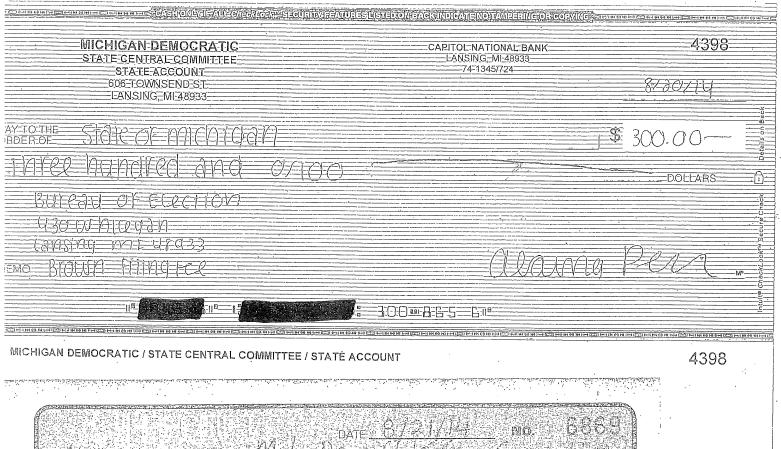
Sincerely,

Lori A. Bourbonais

Bureau of Elections

Michigan Department of State

c: Kim Jorns



90 DOLLARS S

(G) FOHM 46808 (8)

AMT. OF ACCOUNT CASH 1/2 (1/2)

AMT. PAID CHECK

BALANCE MONEY ORDER

BY