

6/16/2022	Kisha Murray	90	Not on original CS
6/16/2022	Lawanda Young	90	Not on original CS
6/16/2022	Demetria Leet	90	Not on original CS
6/16/2022	Yvonne Thomas	90	
6/16/2022	Angie Perkins	60	Not on original CS
6/16/2022	Robert Bryant	60	Not on original CS
6/16/2022	Claudia Lane	60	Not on original CS
6/16/2022	Terry Fairley	60	
6/16/2022	Eric Lloyd	60	Not on original CS ¹⁵

In total, the cumulative direct contributions of Cassandra Ford and Yvonne Thomas were reduced by \$1,062 from the original filing to the amended filing.

This figure is close to the total amount of the contributions from the above list which were not reported on the original CS. These contributions total \$1,200.

Consequently, I ask the BOE to find that the respondent violated MCL 169.226(1)(e) by not reporting these contributions and contributor information on the original pre-primary CS.

8. Failure to report contributors' street addresses accurately

The complaint further pointed out that the respondent's original pre-primary CS reported addresses for two contributors which did not appear to be residential addresses, while also admitting that the MCFA does not specifically define "street address" as used in MCL 169.226(1)(e).

The respondent's original pre-primary CS reported two contributors' addresses using what appear to be non-residential addresses—a grocery store and a church. In contrast, these addresses were changed on the amended filing.

Consequently, I ask the BOE to determine whether the requirement in MCL 169.226(1)(e) to report a "street address" was met in this instance and determine whether violations occurred.

¹⁵ A \$50 contribution dated May 26, 2022, from Lloyd was reported on the original filing. The amended filing reports both that contribution plus a \$60 contribution dated June 16, 2022, (the date of the fundraiser), the latter of which was not on the original filing.

Complaint 2022-11-185-244 Rebuttal

Background to complaint 2022-11-185-244

Complaint 2022-11-185-244 alleged that the respondent, who organized the committee FRIENDS OF MONIQUE OWENS with the Macomb County Clerk, made expenditures for business attire and dry cleaning which were of a personal nature and prohibited by the MCFA.

Rebuttal: Section 44 violations

The respondent's answer to complaint 2022-11-185-244 mentioned that the FRIENDS OF MONIQUE OWENS committee, which supported her 2017 candidacy for city council, was dissolved in 2021. Although true, this fact does not detract from the validity of the complaint. The MCFA provides no explicit statute of limitations for violations. Furthermore, MCL 169.222 requires committees to maintain committee records for five years.

I can find nothing in the MCFA's text or the BOE's subsequent rulings and interpretations which would permit the use of committee funds to purchase business attire or dry cleaning services. Any committee expenditures must be shown to provide a *tangible* benefit to furthering the nomination or election of the candidate.

The answer mentioned "itemized documentation in regards to the clothing" showing that it was a "loan" from herself. The documentation mentioned was not made available to me. However, this statement seems at odds with the evidence I presented with the complaint, which showed the clothing purchases and dry cleaning services as expenditures of the committee.

Consequently, I ask the BOE to review the expenditures that appear on the campaign statements I submitted as evidence and determine whether violations of MCL 169.244(2) occurred.

Conclusion

Thank you for receiving and investigating these complaints.

Respectfully submitted,



Matthew R. Schonert

December 12, 2022

22050 Boulder Avenue
Eastpointe, Michigan 48021

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

Re: Schonert v. Owens
Campaign Finance Complaints 2022-10-137-226 and 2022-11-185-244

To Whom It May Concern:

This letter is in response to the Bureau of Elections's letter dated November 18, 2022, regarding the answer of Monique Owens ("respondent") to complaint 2022-10-137-226, as well as its December 2, 2022, email regarding Owens's answer to complaint 2022-11-185-244. I hereby respectfully submit my rebuttal in these matters.¹

Complaint 2022-10-137-226 Rebuttal

Background to complaint 2022-10-137-226

Complaint 2022-10-137-126 alleged that the respondent, as organizer of the committee SUPPORTERSFORMONIQUEOWENSFORSENATE, violated various sections of the Michigan Campaign Finance Act. In summary, it was alleged that the respondent violated various subsections of Section 26 of the Michigan Campaign Finance Act ("MCFA") by failing to report various contributions, expenditures, and related information (contributor information and fundraiser information), as well as violated Section 52 of the MCFA by accepting contributions from an individual in excess of the contribution limit.

In the answer submitted to the Bureau of Elections ("BOE") on November 14, 2022, the respondent failed to refute the allegations. In fact, the answer barely addressed the subject matter of this complaint. The answer did, however, mention the committee's late filing of the pre-primary campaign statement, which was received by the BOE 12 business days after the deadline and one week *after* the primary. The answer, in large part, blames the respondent's

¹ Per the BOE's December 2, 2022, email, the rebuttal's due date was extended to December 16, 2022.

non-compliance on her ignorance of the requirement that her committee file electronically². The answer also falls flat in this respect, as many of the same defects observed in the electric filing were also present in the invalid paper statement that the respondent had earlier attempted to file.³

The answer also insinuates that the BOE shares blame for the respondent's failures to meet her obligations to file accurate and timely statements. One need only to review the respondent's history of campaign statements with the Macomb County Clerk's office to find that her filing of late and defective reports did not begin with the senate race, or with electronic filing. It has been going on for years. Take for instance the committee SUPPORTERS FOR MONIQUE OWENS registered with the Macomb County Clerk. This committee received 18 Error and Omission notices within a three-year period. In addition, the clerk's website notes that two statements were received 321 calendar days after the due date, and three that were received 165 calendar days after the due date, to sample just a few.⁴ The fault for the senate campaign's late and defective reports, such as the senate campaign's pre-primary campaign statement (received 12 business days late) and post-primary campaign statement (received 45+ business days late) falls to the candidate, not the BOE.

On November 13, 2022, the BOE received an amended pre-primary campaign statement ("CS") from the respondent. This amended filing appears to be an attempt to address the allegations raised in this complaint as well as issues raised in the BOE's October 26, 2022, Notice of Error or Omission.

The differences between the original filing and the amended filing are glaring. The changes reflected in the amended pre-primary CS substantiate the bulk of the allegations made in the complaint. In the following paragraphs, I will describe how the information revealed in the amended filing supports the conclusion that the respondent's filing of the original pre-primary CS violated the MCFA.

Rebuttal: Section 26 violations (section 4 of complaint no. 2022-10-137-226)

1. Failure to report direct contributions

My complaint alleged that the respondent failed to report contributions made through the GoFundMe fundraising platform⁵—specifically a \$50 contribution from Kylah Washington and a \$150 contribution from Yvonne Thomas.

² MCL 169.218

³ <https://cfiresearch.nictusa.com/documents/527247>

⁴ <https://macomb.mi.campaignfinance.us/iDocuments.php?iCommitteeID=10575>

⁵ <https://www.gofundme.com/f/supporters-for-monique-owens-for-state-senator>

Kylah Washington contributions

On the original pre-primary CS, the respondent did not report any contributions from Kylah Washington whatsoever. In contrast, the amended filing reports two separate contributions from Washington: one in the amount of \$50 (presumably the GoFundMe contribution) plus a \$150 contribution. Neither of these contributions were on the original filing.

Therefore, the amended filing shows that the respondent not only failed to report the \$50 GoFundMe contribution on her original pre-primary CS (as alleged) but had also omitted a \$150 contribution from the same which was unknown to me at the time of the complaint, for a total of \$200 in unreported contributions from Kylah Washington.

Yvonne Thomas contributions

On the original pre-primary campaign statement, the respondent did not report a distinct \$150 contribution from Yvonne Thomas. The respondent *did* report contributions of \$900 and \$950 from Yvonne Thomas, but did not report a contribution in the amount of \$150. MCL 169.226(1)(e) requires committees to report each distinct contribution received. Therefore, the original filing's reporting of two contributions in the amount of \$900 and \$950 cannot constitute a valid report of the \$150 GoFundMe contribution. In contrast, the amended filing does report a \$150 direct contribution from Yvonne Thomas.

Therefore, the amended filing shows that the respondent failed to report a \$150 direct contribution from Yvonne Thomas on her original pre-primary CS.

Summary of failures to report direct contributions

In total, the amended filing shows that the respondent failed on her original filing to report at least \$350 in direct contributions and additionally failed to report contributor information for at least one individual contributor (Kylah Washington).

A previous MCFA complaint (no. 2022-06-25-226) against Owens had quoted a significant portion of MCL 169.226(1)(e) verbatim in alleging a violation of the same.

Consequently, I ask the BOE to find that the respondent knowingly violated MCL 169.226(1) by not reporting the \$200 in GoFundMe contributions and the additional \$150 direct contribution from Kylah Washington on the original pre-primary CS.

2. Failure to report in-kind contribution

My complaint further alleged that the respondent failed to report an in-kind contribution of pavilion rental valued at \$150. I presented evidence showing that Yvonne Thomas paid \$150 for the pavilion rental and that the pavilion had been used to host the respondent's June 16, 2022, campaign fundraiser.

The respondent's original pre-primary statement did not report the in-kind contribution. The in-kind contribution was also not mentioned on the July 22, 2022, correspondence to the BOE, which was an attempt to file the pre-primary campaign statement in non-electronic form and therefore rejected. Even if the respondent's committee had been allowed to file paper rather than electronic statements, this contribution likely would have gone unreported but for my filing of this complaint.

Consequently, I ask the Bureau to find that the respondent violated MCL 169.226(1)(e) by failing to report an in-kind contribution valued at \$150 on the original pre-primary CS.

3. Failure to report contributors' full names

My complaint further alleged that the respondent violated the MCFA by failing to report individual contributors using their full names. MCL 169.226(1)(e) explicitly states that each contributor's "full name" must be reported. In fact, it is the very first requirement mentioned in the sentence (emphasis added): "The *full name* of each individual from whom contributions are received..."

The abbreviation or omission of a small part of a contributor's name may perhaps be excused as a de minimis omission. However, reporting a contributor's name using a single component of their name, such as the last name alone, is a significant defect. Regulatory personnel and members of the public who reviewed the respondent's original pre-primary CS would not be able to readily ascertain who had made those contributions. That is unacceptable; the MCFA places responsibility on each committee to obtain that information and include it in the statement.

The respondent's original pre-primary statement identified at least three contributors (Ford, Waltman, and Evans) solely by last names. In contrast, the amended filing of the same statement identifies the contributors by full personal names or committee names. In addition, the amended filing reveals that two of those contributions were made by committees and not by individuals.

For at least two of those three contributions, there is evidence to support that the respondent likely knew the contributors' full names based on personal knowledge and may have knowingly withheld their full names. Take, for instance, "Evans" and "Ford".

- "Evans" – Friends of Warren C. Evans is a candidate committee of Warren Evans, the Wayne County Executive⁶ and one of Metro Detroit's most well-known political figures.
- "Ford" – Cassandra Ford is a member of the City of Eastpointe's Planning Commission. The respondent, as Mayor of Eastpointe, presided over the March 16, 2021, city council

⁶ <https://www.waynecounty.com/elected/executive/biography.aspx>

meeting in which Ford was appointed to the planning commission. The respondent also voted in favor of Ford's appointment to the same.⁷

If the respondent did not know the identity of the above two contributors based on personal knowledge, she could have easily discovered their full names based on records which she was responsible for keeping.

To make matters worse, the manner in which some contributors' names were reported also misled the public by concealing the fact that two of the three contributions came from political committees and not individuals. For example, the original filing reported contributions from "Evans" and "Waltman".

- "Evans – The amended filing reveals that the contribution from "Evans" was actually received from "Friends of Warren C. Evans". The latter is a candidate committee, not an individual.
- "Waltman" – The amended filing also reveals that the contribution from "Waltman" was actually received from "MI HEALTH CHOICE ALLIANCE PAC", a political action committee.⁸ The respondent's identification of the contributor solely by the PAC treasurer's last name, "Waltman", obscured the fact that the contribution was made by a PAC and not an individual.

Members of the public deserved to know that one of the respondent's top funding sources was a PAC and not an individual. They also deserved to know that before the primary election. However, due to the respondent's inaccurate and incomplete statements, the true contributor was not revealed until November 13, 2022—after the *general* election, when it was due before the primary. It is doubtful that this would have been revealed but for my complaint.

The respondent's reporting of contributors using incomplete names not only violated the MCFA but deprived the public of important information about the candidate's funding sources.

Consequently, I ask the BOE to find that the respondent knowingly violated MCL 169.226(1)(e) by failing to report contributors' full names on her original pre-primary CS.

4. Failure to report employers and occupations of contributors who gave more than \$100

My complaint further alleged that the respondent violated MCL 169.226(1)(e) by failing to report (on the committee's original pre-primary CS) the occupations, employers, and principal

⁷

<https://eastpointecitymi.documents-on-demand.com/document/9bdc4820-c7c4-ec11-a375-000c29a59557/City%20Council%20Minutes%20March%2016,%202021.PDF>

⁸ <https://cfrsearch.nictusa.com/committees/519530>

places of business of contributors when required to do so (i.e. for each contributor who cumulatively gave more than \$100 to her committee). My complaint also included evidence supporting that possibility the violation was done knowingly, as the Macomb County Clerk had specifically advised the respondent on November 7, 2019, that occupation and employer information was required for an individual contribution from Stanley Grot in the amount of \$150.

In contrast to the original filing, the amended pre-primary CS includes occupations and employers for the following contributors who cumulatively gave more than \$100 each to the respondent's committee: Cassandra Ford, Anthony Bakko, Yvonne Thomas, Clint Pattah, and Stephanie Moulton.

Consequently, I ask the BOE to find that the respondent knowingly violated MCL 169.226(1)(e) by failing to report contributors' occupation and employer information when required on the original pre-primary CS.

5. Failure to report expenditures

My complaint further alleged that the respondent violated MCL 169.226(1)(j) by failing to report expenditures for food (for a June 16, 2022 fundraiser) and for website services. It was also alleged that the respondent either failed to report or inaccurately reported the vendors for various expenditures. It was also alleged that the respondent violated MCL 169.226(1)(d) by failing to report the total event costs related for a fundraiser.

The complaint also furnished evidence to support that both subsections were violated knowingly, citing past correspondence from the Macomb County Clerk and BOE to the respondent as recently as July 19, 2022.

MCL 169.226(1)(j)

The respondent's original pre-primary CS did not report any expenditures or in-kind contributions of food or website services. In contrast, the amended pre-primary reports a \$737.48 in-kind contribution of food dated June 16, 2022, and a \$47.85 in-kind contribution paid to Wix (a website hosting provider) on May 26, 2022. The absence of these expenditures from the original filing supports that a violation occurred.

Many of the expenditures that were reported on the original pre-primary CS are instead reported as in-kind contributions from the candidate on the amended pre-primary CS. However, there are several in-kind contributions reported in the amended filing that were apparently not reported (as either expenditures or in-kind contributions) on the original filing. For example:

- \$100 - food for event - 5/26/2022 - from Lincoln Braziel to Taco Bar Unlimited

- \$100 - entertainment - 5/26/2022 - from Eric White to DJ Services
- \$100 - entertainment - 5/26/2022 - from Deonda Easley to Epic Entertainment
- \$100 - entertainment - 5/26/2022 - from Heather Kyles to Naturally Funny Talent Agency

The omission of these contributions from the original filing are also likely violations of MCL 169.226(1). In addition, the MCFA requires that in-kind contributions be listed at “fair market value”. There is some evidence to suggest that the amounts reported on the amended filing may not accurately reflect fair market value.

For example, on August 24, 2022, the Macomb County Clerk received from SUPPORTERS FOR MONIQUE OWENS (the respondent’s mayoral candidate committee) a Miscellaneous Filing⁹ which reported an in-kind contribution of DJ services from Owens paid to vendor Eryk White.¹⁰ This contribution was valued at \$250.

Contribution # 2 Name & Address <i>Same as above</i>	PAC Receipt? <input type="checkbox"/> Yes	4. <input type="checkbox"/> Endorsement or Guarantee of Bank Loan <input checked="" type="checkbox"/> Goods Donated or Loaned <input type="checkbox"/> Services Donated <input type="checkbox"/> Goods or Services Purchased by Candidate or Others <input type="checkbox"/> Goods or Services Purchased by Candidate or Others- LOAN	\$ <u>250</u> \$
If over \$100.00 cumulative, please provide: Occupation: Employer Name & Address:	Description <u>DJ Services (fundraising event)</u> 5. Date Of Receipt: <u>7/21/2021 - 10/20/21</u> 6. Vendor Name & Address: <u>Eryk White</u>		
Click Here for Memo Itemization			
<input type="checkbox"/> Fund Raiser Contribution			

The reporting of the above four May 26, 2022, contributions at precisely \$100—one cent below the threshold at which the committee would be required to report the contributors’ occupation and employer information—lacks credibility.

MCL 169.226(1)(d)

My complaint alleged that the reporting of the total cost of the June 16, 2022, barbecue fundraiser (event #1 on the fundraiser schedule) as \$0.00 on the original pre-primary CS constituted a violation of MCL 169.226(1)(d). In contrast, the amended filing reported that the cost of the event was \$1,644.96. In addition, the gross receipts for that event increased by \$740 from the original to the amended filing.

If the figures on the amended filing are correct, then the following may be concluded regarding the respondent’s pre-primary fundraising events:

⁹ <https://campaignfinance.us/docs.macomb.mi/471775997.pdf>

¹⁰ The Miscellaneous Filing spells White’s first name as “Eryk” while the amended pre-primary CS spells the first name as “Eric”. Despite this, the nature of service (DJ services) supports the likelihood that these are references to the same person.

1. Event #1's gross receipts were underreported by \$740.00 on the original filing.
2. Event #1's total costs were underreported by \$1,644.96 on the original filing.
3. Event #2's gross receipts were overreported by \$4,500.00 on the original filing.
4. Event #2's gross receipts were underreported by \$1,000.00 on the original filing.
5. Event #3's gross receipts were underreported by \$85.00 on the original filing.

Event #1	Original	Amended	Change
Gross Receipts	\$1,100.00	\$1,840.00	+ \$740.00
Total cost of event	\$0.00	\$1,644.96	+ \$ 1,644.96

Event #2	Original	Amended	Change
Gross Receipts	\$5,660.00	\$1,160.00	– \$4,500
Total cost of event	\$600.00	\$1,600.00	+ \$1,000

Event #3	Original	Amended	Change
Gross Receipts	\$0.00	\$85.00	+ \$85.00
Total cost of event	\$0.00	\$0.00	N/A

The respondent's answer does not even attempt to explain these vast differences.

Consequently, I ask that the BOE find that the respondent knowingly violated MCL 169.226(1)(j) and MCL 169.226(1)(d) by not reporting these expenditures and costs on the original pre-primary CS.

Rebuttal: Section 52 violations (section 4 of complaint 2022-10-137-226)

6. Accepting contributions in excess of the individual contribution limit

My complaint further alleged that the respondent violated MCL 169.252(1)(b) by accepting contributions in excess of the \$2,100 individual contribution limit¹¹ for a senate campaign. Specifically, it was alleged that the committee accepted from Yvonne Thomas direct contributions of \$900 and \$950 (which were reported on the original filing), plus two contributions that were not reported: an \$150 direct contribution (via GoFundMe) and a \$150 in-kind contribution of a pavilion rental, for a total of \$2,150.

¹¹ <https://mertsplus.com/mertuserguide/index.php?n=MANUALS.StateLevelOffices>

A comparison of Yvonne Thomas's contributions between the original and amended filings is provided below.

Original¹²

Date	Type	Amount	Cumulative
5/26/2022	DIRECT	\$ 900	\$ 900
6/17/2022	DIRECT	\$ 950	\$ 1,850

Amended¹³

Date	Type	Amount	Cumulative
5/26/2022	DIRECT	\$ 900	\$ 900
5/30/2022	INKIND	\$ 150	\$ 1,050
6/10/2022	INKIND	\$ 200	\$ 1,250
6/10/2022	INKIND	\$ 58	\$ 1,308
6/16/2022	DIRECT	\$ 150	\$ 1,458
6/16/2022	DIRECT	\$ 90	\$ 1,548

A \$950 contribution dated June 17, 2022, is included on the original filing but not on the amended filing. Did the respondent return \$950 to Yvonne Thomas to bring her cumulative contributions below the limit? Did the \$950 represent an amalgamation of contributions from individuals other than Thomas, which were not properly reported as such? The respondent's answer provides no explanation whatsoever for the disappearance of this contribution from the amended filing, leaving the BOE to investigate what truly happened.

In any case, it appears that the respondent either violated MCL 169.252(1)(b) by accepting contributions in excess of the limit or violated MCL 169.226(1)(e) by not reporting the contributions distinctly with each contributor's information.

Consequently, I ask the BOE to determine whether violations of MCL 169.252(1)(b) and/or MCL 169.226(1)(e) occurred.

¹² https://cfrsearch.nictusa.com/documents/529450/details/filing/contributions?schedule=*&changes=0&page=1

¹³ https://cfrsearch.nictusa.com/documents/538786/details/filing/contributions?schedule=*&changes=0&page=1

Rebuttal: Additional Section 26 violations (section 5 of complaint 2022-10-137-226)

In Section 5 of my original complaint, I made two allegations that, despite a lack of available supporting evidence at the time, I believed would be supported after further inquiry. Once again, the information revealed in the amended pre-primary CS (after my complaint was filed) serves as evidence to support those allegations.

7. Failure to report some contributions and contributor information distinctly, attributing them to person(s) other than the actual contributor

The respondent's amended pre-primary CS provides evidence to support this allegation.

The original pre-primary CS reported a \$1,000 contribution (for \$1,000 cumulative) dated June 16, 2022, from "Ford". In contrast, the amended pre-primary CS reported a \$240 contribution (for \$240 cumulative) on the same date from "Cassandra Ford"—a reduction of \$760.¹⁴

The original pre-primary CS reported a \$950 contribution (for \$1,850 cumulative) dated June 17, 2022, (one day after the fundraiser) from Yvonne Thomas. In contrast, the amended pre-primary CS does not report a \$950 contribution, and Thomas's cumulative direct contributions are reported as \$1,548—a reduction of \$302.

Along with this, the amended pre-primary CS reports several contributions, also dated June 16, 2022, which were not reported on the original filing. Most of the contributors' names were not mentioned on the original filing whatsoever. An annotated list is provided below.

Also, all of the contributions listed below, except for the \$100 one from Clint Pattah, are in multiples of \$30, which was the advertised per-plate price for the event.

Date	Contributor	Amount	Change
6/16/2022	Cassandra Ford	240	Decrease of \$760
6/16/2022	Deonda Easley	180	Not on original CS
6/16/2022	Kylah Washington	150	Not on original CS
6/16/2022	Monique Owens	150	
6/16/2022	Yvonne Thomas	150	
6/16/2022	Wanetta Love	120	Not on original CS
6/16/2022	Jeremie Mccoy	120	Not on original CS
6/16/2022	Tia Williams	120	Not on original CS
6/16/2022	Clint Pattah	100	

¹⁴ As both "Ford" and "Cassandra Ford" were reported with the same street address, we may conclude that these are references to the same person.

6/16/2022	Kisha Murray	90	Not on original CS
6/16/2022	Lawanda Young	90	Not on original CS
6/16/2022	Demetria Leet	90	Not on original CS
6/16/2022	Yvonne Thomas	90	
6/16/2022	Angie Perkins	60	Not on original CS
6/16/2022	Robert Bryant	60	Not on original CS
6/16/2022	Claudia Lane	60	Not on original CS
6/16/2022	Terry Fairley	60	
6/16/2022	Eric Lloyd	60	Not on original CS ¹⁵

In total, the cumulative direct contributions of Cassandra Ford and Yvonne Thomas were reduced by \$1,062 from the original filing to the amended filing.

This figure is close to the total amount of the contributions from the above list which were not reported on the original CS. These contributions total \$1,200.

Consequently, I ask the BOE to find that the respondent violated MCL 169.226(1)(e) by not reporting these contributions and contributor information on the original pre-primary CS.

8. Failure to report contributors' street addresses accurately

The complaint further pointed out that the respondent's original pre-primary CS reported addresses for two contributors which did not appear to be residential addresses, while also admitting that the MCFA does not specifically define "street address" as used in MCL 169.226(1)(e).

The respondent's original pre-primary CS reported two contributors' addresses using what appear to be non-residential addresses—a grocery store and a church. In contrast, these addresses were changed on the amended filing.

Consequently, I ask the BOE to determine whether the requirement in MCL 169.226(1)(e) to report a "street address" was met in this instance and determine whether violations occurred.

¹⁵ A \$50 contribution dated May 26, 2022, from Lloyd was reported on the original filing. The amended filing reports both that contribution plus a \$60 contribution dated June 16, 2022, (the date of the fundraiser), the latter of which was not on the original filing.

Complaint 2022-11-185-244 Rebuttal

Background to complaint 2022-11-185-244

Complaint 2022-11-185-244 alleged that the respondent, who organized the committee FRIENDS OF MONIQUE OWENS with the Macomb County Clerk, made expenditures for business attire and dry cleaning which were of a personal nature and prohibited by the MCFA.

Rebuttal: Section 44 violations

The respondent's answer to complaint 2022-11-185-244 mentioned that the FRIENDS OF MONIQUE OWENS committee, which supported her 2017 candidacy for city council, was dissolved in 2021. Although true, this fact does not detract from the validity of the complaint. The MCFA provides no explicit statute of limitations for violations. Furthermore, MCL 169.222 requires committees to maintain committee records for five years.

I can find nothing in the MCFA's text or the BOE's subsequent rulings and interpretations which would permit the use of committee funds to purchase business attire or dry cleaning services. Any committee expenditures must be shown to provide a *tangible* benefit to furthering the nomination or election of the candidate.

The answer mentioned "itemized documentation in regards to the clothing" showing that it was a "loan" from herself. The documentation mentioned was not made available to me. However, this statement seems at odds with the evidence I presented with the complaint, which showed the clothing purchases and dry cleaning services as expenditures of the committee.

Consequently, I ask the BOE to review the expenditures that appear on the campaign statements I submitted as evidence and determine whether violations of MCL 169.244(2) occurred.

Conclusion

Thank you for receiving and investigating these complaints.

Respectfully submitted,



Matthew R. Schonert



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

February 22, 2023

Monique Owens
22480 Petersburg Avenue
Eastpointe, MI 48021

Re: *Schonert v. Owens*
Campaign Finance Complaints No. 2022 – 06 – 25 – 226
2022 – 10 – 137 – 226
2022 – 11 – 185 – 244

Dear Ms. Owens:

The Department of State has concluded its investigation of the complaints filed against you by Matthew Schonert on June 17, 2022, June 28, 2022, October 11, 2022, and November 2, 2022, alleging violations of Michigan Campaign Finance Act (MCFA or Act), 1976 P.A. 388, MCL 169.201 *et seq.* This letter concerns the disposition of those complaints.

Complaints 1 and 2- June 17 and June 28, 2022

Complaints 1 and 2, received on June 17 and June 28, 2022, allege that you failed to properly report the contributions from a fundraiser you hosted on August 15, 2021. The complaints also allege that you distributed a campaign advertisement in a supermarket circular without including a “paid for by” statement.

You responded to these complaints on August 3, 2022. In your response you indicate that you have always reported your fundraiser statements to the Macomb County Clerk and made appointments to correct anything that is noted as incorrect. You further state that you scanned your campaign finance statements using an Office Depot self-scan machine, but unbeknownst to you, the documents were not transmitted to Macomb County due to technical difficulties. You indicate you were unaware of the issue because you never received a notice that you failed to file your campaign finance statements.

Your response also indicates that you were not responsible for the campaign advertisement included in Fresh Choice Market’s weekly store flier. You include in your response a letter from the owner of Fresh Choice Market in which the owner indicates that they were solely responsible for running the advertisement.

On September 19, 2022, Mr. Schonert provided a rebuttal. In his rebuttal, Mr. Schonert indicates that the issue raised in his complaint is not that you failed to file the October 2021 campaign finance statement, but rather that you did file it, yet did not truthfully report activity occurring within the reporting period. Mr. Schonert alleges that you did not amend your October 2021 Quarterly Statement until August 24, 2022, more than a year after the fundraiser he mentioned in

the original complaint took place. Mr. Schonert's rebuttal goes on to outline numerous other errors he believes are contained within your amended filing.

Additionally, Mr. Schonert's rebuttal indicates that even in the example flyer you included in your response, the "paid for by" statement is insufficient as it does not include the committee's address as required. Mr. Schonert went on to provide the image of a yard sign that reads "Vote Monique Owens for State Senator" that also fails to include any "paid for by" statement.

Complaint 1: Fundraiser Reporting

MCL 169.226(1)(d) requires that the following details about a fundraiser be included in a campaign statement:

- (i) The type of event, date held, address and name, if any, of the place where the activity was held, and approximate number of individuals participating or in attendance.
- (ii) The total amount of all contributions.
- (iii) The gross receipts of the fund-raising event.
- (iv) The expenditures incident to the event.

MCL 169.226(1)(d)(i) – (iv). A person who knowingly omits or underreports contributions required to be disclosed by the Act is subject to a civil fine of not more than \$1,000.00 or the amount omitted or underreported, whichever is greater. MCL 169.233(11).

Based on the evidence presented, the Department concludes that there is sufficient evidence to determine that a potential violation of the Act has occurred. Although it appears that you have attempted to amend the relevant reports to provide the necessary disclosure mandated by the Act, you have been unsuccessful in doing so. According to the Macomb County Campaign Finance Reporting [website](#), Macomb County notified you on August 29, 2022, that your August 24, 2022, email was considered an invalid filing, and therefore, not accepted as the necessary amendment to your October 2021 campaign finance statement. To date, this amendment remains unfiled, leaving the Department to conclude that a potential violation of the Act has occurred.

When the Department finds that there may be reason to believe a violation has occurred, the Act requires the Department to use "informal methods such as a conference [or] conciliation" to correct the potential violation or to prevent further violation. MCL 169.215(10).

In order to resolve these complaints, the Department requires you amend your October 2021 campaign finance statement filed with Macomb County to include all required and necessary disclosures under the Act. Upon filing, you should provide a copy of the reports to the Department, and the Department will review and determine whether any further enforcement action is necessary.

The Department notes that your committee may be assessed a late-filing fee by the County Clerk for any statement that was not timely filed. MCL 169.233(7). Late filing fees are assessed and collected by the filing official with whom the statements are filed. MCL 169.217(1). Any questions regarding these late-filing fees should be directed to the County Clerk.

Complaint 2: Campaign Advertisement

The MCFA and corresponding administrative rules require a person who produces printed material that relates to an election to include the phrase “Paid for by [name and address of the person who paid for the item].” MCL 169.247(1), R 169.36(2). A knowing violation constitutes a misdemeanor offense punishable by a fine of up to \$1,000.00, imprisonment for up to 93 days, or both. MCL 169.247(6).

Upon review, the evidence submitted supports the conclusion that a potential violation of the Act has occurred. From the outset, the Department must consider whether the materials fall within the ambit of the MCFA. Because the materials explicitly advocate for the election or defeat of a candidate, or for the passage or defeat of a ballot proposal, the materials contain express advocacy as defined by the Act. MCL 169.206(2)(j). As explained above, such materials must contain a “paid for by” statement listing the name and address of the committee purchasing the materials. However, the evidence shows that the materials at issue here omit part or all of that required statement. That absence supports the conclusion that there may be reason to believe a violation of the MCFA has occurred.

Given this, the Department concludes that a formal warning is a sufficient resolution to the complaint and is hereby advising you that MCL 169.247(1) and R 169.36(2) require you to print a complete and accurate identification statement on all campaign materials. The identification statement must contain the phrase “paid for by” followed by the full name *and address* of your committee.

Note that all printed materials referencing you or your candidacy produced in the future must include this identification statement. For all materials currently in circulation, the paid for by statement must be corrected.

Please be advised that this notice has served as a warning to you of your obligation under the Act to include an identification statement on all campaign materials. This warning may be used in future proceedings as evidence to establish a knowing violation of the Act. A knowing violation is a misdemeanor offense and may merit referral to the Attorney General for enforcement action. MCL 169.247(6), 215(10).

Complaint 3- October 11, 2022

Complaint 3, received on October 11, 2022, alleges that you failed to report contributions submitted to your campaign via a GoFundMe fundraiser page; that you failed to report an in-kind contribution for pavilion rentals; that you failed to report contributors’ full names;¹ that you failed to report the employers and occupations of contributors who gave more than \$100 to your campaign; that you failed to report certain expenditures; and that one of your contributors exceeded the individual contribution limit.

¹ While the Department does not investigate violations based on de minimus errors or omissions such as a misspelled name, inclusion of only a first or last name in campaign finance reporting may not provide sufficient specificity as required by statute.

You responded to this complaint on November 14, 2022. In your response you indicate that when you ran for senator, you were not familiar with MCFA reporting requirements, so you attempted to obtain assistance. You state that you have been doing your very best for almost five years, despite some hiccups. You further indicate that when you received notice of errors, you obtained assistance from a professional to complete amendments to your campaign finance statements.

On December 12, 2022, Mr. Schonert provided a rebuttal. In his rebuttal, Mr. Schonert indicates that the response provided fails to refute any of the allegations he raised in his complaint. Mr. Schonert goes on to indicate that on November 13, 2022, you filed an amended pre-primary campaign statement in an attempt to address the allegations raised in this complaint. Mr. Schonert points out that the differences between the original filing and the amended filing are glaring and substantiate the bulk of the allegations he made in Complaint 3.

The MCFA requires that candidates and committees record the full name, street address, amount contributed, and date of contribution for each individual from whom contributions are received. MCL 169.226(1)(e). Further, if the individual's cumulative contributions are more than \$100.00, the candidate or committee must also report the individual's occupation, employer, and principal place of business. *Id.* For each person other than an individual, candidates and committees need not include the additional employment information but must provide all other contributor information previously listed. MCL 169.226(1)(g).

In Michigan, contributions to a candidate committee are governed by statute. MCL 169.252. Specifically, in Michigan, an individual may not contribute more than \$2,100² to a state senate candidate. MCL 169.252.

Based on the evidence presented, the Department concludes that there is sufficient evidence to determine that potential violations of the Act have occurred. You acknowledge in your response you did not understand the intricacies of the MCFA prior to filing your campaign finance statements and that lack of understanding resulted in errors, but you further offer that you have since hired professional assistance in amending these reports.

Based on your admission that the reports were not timely filed disclosing the necessary contribution, the Department concludes that a potential violation of the Act has occurred. When the Department finds that there may be reason to believe a violation has occurred, the Act requires the Department to use "informal methods such as a conference [or] conciliation" to correct the potential violation or to prevent further violation. MCL 169.215(10).

Because it appears that you have amended the relevant reports to provide the necessary disclosure mandated by the Act, the Department concludes that a formal warning is sufficient resolution to Complaint 3. The Department notes that it will review the reports and may issue any late filing fees or notices of error or omission as part of its standard review process. This letter serves as a warning to prevent further violation of the Act.

² Contributions are adjusted for inflation every four years. MCL 169.246.

Complaint 4- November 2, 2022

Complaint 4, received on November 2, 2022, alleges that you impermissibly used campaign funds for clothing and dry-cleaning services—services which he alleges were personal and not in furtherance of your campaign.

You responded to this complaint on December 1, 2022. In your response you indicate that you did not use your campaign funds to purchase clothes for personal use. You state that you used money to buy clothing for campaign events, and that dry cleaning services were necessary because most of the clothing was bought from second-hand stores and the clothing needed to be cleaned in order to wear it to campaign events. You further state that your attire represented you as a candidate and you wanted to look presentable, as that is important for any race for office.

On December 12, 2022, Mr. Schonert provided a rebuttal. In his rebuttal, Mr. Schonert indicates that he cannot find any MCFA guidance that permits the use of committee funds to purchase business attire or dry-cleaning services. Mr. Schonert goes on to indicate that committee expenditures must be shown to provide a tangible benefit to further the nomination or election of the candidate.

Section 44 of the MCFA provides that, generally, a candidate committee may not make an expenditure or other disbursement except to further the nomination or election of the candidate for which it is formed. MCL 169.244.

In creating and defining expenditures under section 6 of the Act, the Legislature has provided a guiding framework for limiting how and to whom committees may disburse their money. Registered committees are subject to a number of limitations when making expenditures. “Expenditures by a candidate committee must be made for the purpose of influencing an election, not for the personal benefit of an individual.” *Interpretive Statement to Christopher Rose*, Issued November 2, 1978. Candidate committees are allowed disbursements only if they qualify as expenditures, which in turn are subject to limitations.

Typically, to determine whether a disbursement is a personal expense, the Department applies a “but-for” test in order to ascertain whether the expenditure may be personal in nature: If the disbursement would have occurred irrespective of the individual’s status as a candidate or an office holder, the expenditure is a prohibited personal expense. *Interpretive Statement to Kevin Hertel*, Issued April 15, 2021.

The Department concludes that there is insufficient evidence to support the conclusion that committee funds were used for personal use. Specifically, the Department finds credible your explanation that the clothing and dry cleaning were necessary to help influence your election, by providing professional attire to wear to campaign events. Your explanation indicates that, had you not been running for election, you would not have incurred these expenses; therefore, it is appropriate to find that these expenditures were for the purpose of influencing an election and not for your personal benefit. As such, the Department dismisses the Section 44 allegations contained in Complaint 4.

Resolution

Upon review, the evidence submitted supports the conclusion that potential violations of the Act have occurred, as explained above. When the Department finds that there may be reason to believe a violation has occurred, the Act requires the Department to use “informal methods such as a conference [or] conciliation” to correct the potential violation or to prevent further violation. MCL 169.215(10). The Department has 90 business days to reach an informal resolution of the matter. *Id.*

The Department has provided above the necessary requirements to resolving the complaint, which require you to file the appropriate reports with the Macomb County Clerk’s Office. If the Department is unable to informally resolve the complaint by July 3, 2023, the Act requires the Department to refer the matter to the Department of Attorney General with a request that the office prosecute the criminal penalties outlined under the Act. MCL 169.233(11).

Sincerely,

Adam Fracassi, Regulatory Manager
Bureau of Elections
Michigan Department of State

c: Matthew Schonert

Supporters for Monique Owens for Senate (520696-6)
Monique Owens
22480 Petersburg Ave
Eastpointe, Michigan 48021

State of Michigan Bureau of Elections
430 W. Allegan
Lansing, Michigan 48918

Date: 3/31/23

Subject: Late Filing Fee Waiver (Attn: Mr. Blake Gibbs)

This letter is being submitted to humbly ask for fees to be waived for good cause. I also ask for full confidentiality for health purposes and privacy concerns. During my election term from 4/22-10/22 I had a medical condition and was under medical care with my physician. Due to the medical care I was additionally treated and hospitalized because of my medical condition. I believe if it had not been for my medical condition during this election time I would have been in compliance with any paperwork that was due and also I would have ran a better race. Attached with this letter is a note from my care physician that shows my medical condition which led to additional doctors watch until I was back to a healthier condition. I was informed by (Analyst) Mr. Gibbs that I could use this one letter to cover both fees. I pray this covers and waives both fees. One fee which amounted to \$600 as well as this one for \$1000. If you have any questions please email me at iammoniqueowens@gmail.com and/or call at (313)658-3392.

Sincerely,

Monique Owens

Partridge Creek

Obstetrics & Gynecology

Rhonda L. Kobold, D.O.

and Associates

19991 Hall Road, Suite 105

Macomb Twp., MI 48044

Phone: (586) 247-8609

Fax: (586) 247-8615

eFax: (586) 247-8613

Date:

3/31/23

Name:

Monique Owens

To whom it may concern:

Monique Owens

was treated in our office and or hospital on

8/24/22, 10/13/22

With regard to their

medical condition, we make the following recommendations:

☒ No work at all from

8/24/22

to:

10/13/22

☐ Light work only from

to:

☐ May resume full workload

☐ Unable to return to work until further notice

☐ No school until

☒ Other

Due to medical issues, patient

was off work from 8/24/22-

10/13/22, Please excuse these

absences

Physician Signature



STATE OF MICHIGAN
BUREAU OF ELECTIONS
LANSING

SUPPORTERSFORMONIQUEOWENSFORSENATE
MONIQUE OWENS, TREASURER
P.O. BOX 97
EASTPOINTE, MI 48021

February 17, 2023

ID#: 520696-6
Seq#: 544013 - bg
Ref#: 538787

**NOTICE OF LATE FILING FEE DUE
2022 POST-PRIMARY CS**

THIS IS A BILL!

This late filing fee is assessed in accordance with the Michigan Campaign Finance Act (MCFA), MCL 169.233(7).

(Make checks payable to STATE OF MICHIGAN and forward to the address provided).

DOCUMENT OWED BY COMMITTEE	DATE RECEIVED	DATE DUE	DAYS LATE	PAYMENT DUE	AMOUNT DUE
2022 POST-PRIMARY CS	11/13/2022	09/01/2022	16+	03/19/2023	\$1000

If this committee was required to file electronically as mandated by MCL 169.218 and this statement was submitted on paper, it is considered NOT filed under the MCFA until the electronically filed statement is received.

If we do not receive prompt payment of the above referenced fee, the matter will be turned over to the Michigan Department of Treasury for further action. The MCFA holds candidates, treasurers and designated record keepers all equally and severally liable for late filing fees except those assessed under MCL 169.224. Therefore, the Department of Treasury may take collection actions against the personal financial holdings of these individuals to bring the account balance to zero. Collection actions by the Department of Treasury could include levy on wages, set off against state income tax refunds or any other means at the Department of Treasury's disposal. You are urged to make payment to avoid collection by the Department of Treasury.

The MCFA provides that late filing fees can be waived for good cause. A copy of the procedure for requesting a good cause waiver can be found at www.michigan.gov/elections. The Bureau of Elections must receive your request for appeal within 28 calendar days of this notice. We recommend using certified mail to ensure timely delivery within the 28 calendar days.

Partial payments are accepted. Committees that are unable to pay the entire fee amount immediately are encouraged to contact the Bureau of Elections to establish a periodic payment plan. Committees entering into a payment plan and meeting the agreed upon payment schedule will not be referred to the Department of Treasury for collection.

Note: Candidates required to file the Compliance Affidavit as required by MCL 168.848 must pay or otherwise resolve all committee fees in their entirety prior to executing the affidavit.

If you have any questions, contact us by phone or by email at Disclosure@Michigan.gov.

Sincerely,

Blake Gibbs, Analyst
Disclosure Data Division

CAN

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LATE FILING FEE WAIVER REQUEST FORM

Committee ID	Full Name of Committee
520696-6	M Supporters for Monique Owens for Senate

STATEMENTS REQUESTING LATE FILING FEE REVIEW

The required filing, statement, or report must be filed in order for the late filing fee waiver to be reviewed.

Year Statement was Due	Statement	Date Filed
2022	2022 Post-primary CS	

THE GOOD CAUSE REASON, DESCRIPTION AND ADEQUATE SUPPORTING DOCUMENTATION

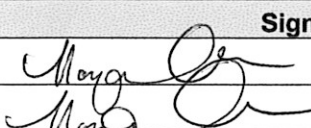
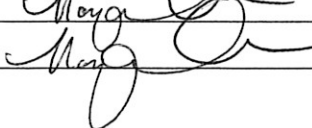
Attach a brief description of the incident which caused the late filing along with ALL supporting documentation. Supporting documentation must include relevant dates that occur on or extend through the filing deadline to substantiate the waiver.

Please check ALL that apply in the sections below.

The persons who these causes relate to are limited to:	
<input checked="" type="checkbox"/> "A person required to file." Meaning the: <input checked="" type="checkbox"/> candidate (Candidate Committee's only); <input type="checkbox"/> treasurer; <input type="checkbox"/> designated record keeper; or <input type="checkbox"/> a person whose participation is essential to the preparation of the statement or report. Please Specify: _____	<input type="checkbox"/> "A member of the immediate family" of a person required to file. Immediate family means: <input type="checkbox"/> a child residing in the individual's household; <input type="checkbox"/> a spouse of the individual; or <input type="checkbox"/> any individual claimed by that individual or individual's spouse as a dependent on federal income taxes.
FIRST CATEGORY OF GOOD CAUSE	ADEQUATE DOCUMENTATION INCLUDES
<input type="checkbox"/> Incapacitating physical illness	A doctor's statement noting the name of the patient, the incapacitating illness and the dates of the illness.
<input type="checkbox"/> Hospitalization	A copy of the hospital bill or doctor's statement showing the patient's name and the dates of the hospitalization.
<input type="checkbox"/> Accident involvement	Medical: a copy of the hospital bill, emergency room services or doctor's statement showing the patient's name, dates and times of medical attention. Delay or vehicle disablement: a police report showing the individual's name, the date and time of the accident and, if applicable, whether or not the vehicle was disabled.
<input type="checkbox"/> Death	A copy of the death certificate or an obituary notice.
<input type="checkbox"/> Incapacitation for medical reasons	Doctor, psychologist, therapist, or chiropractor statement giving the patient's name and the nature of the incapacitation with the relevant dates.
SECOND CATEGORY OF GOOD CAUSE	ADEQUATE DOCUMENTATION INCLUDES
<input type="checkbox"/> The loss or unavailability of records due to a fire, flood, theft or similar reason.	Police, fire or insurance report containing the date of the occurrence and the extent of the loss or damage.
<input type="checkbox"/> Difficulties in the transmission of the filing because of bad weather or strikes involving transportation.	Relevant weather reports or verification of a transportation systems strike that directly affects systems necessary for filing the report or statement.
<input checked="" type="checkbox"/> Other unique, unintentional factors beyond the filer's control not stemming from a negligent act or non-action.	Documentation that substantiates the reason the filing was delayed which includes the name of affected person and any relevant dates. (Please see the Other Considerations section on the next page).

SIGNATURE

Please provide the signature(s) of the individual(s) required to file the particular statement or report upon which the late filing fee was or would be assessed.

Signature	Title	Date
	Candidate (Candidate Committee's only)	3/27/23
	Treasurer	3/27/23

Monique Owens
22480 Petersburg Ave
Eastpointe, Michigan 48021

State of Michigan Bureau of Elections
430 W. Allegan
Lansing, Michigan 48918

Date: 3/31/23

Subject: Campaign Finance Complaints Resolved (Re: Schonert v Owens)

This letter is being submitted to resolve the investigative complaints that were filed against me from Matthew Schoenert on June 17, June 28, October 11 and November 2, 2022. Attached is a copy of proof of service to the Macomb County Elections submitting my Oct 2021 amended report. This Amended report was lost due to electronic default that caused the Elections Department to not receive these documents in a timely fashion which was stated to your office prior to this letter. Please email me at iammoniqueowens@gmail.com and/or call me at (313) 658-3392 if you have further questions or I need to make additional changes to be in compliance. Thank you.

Sincerely,

Monique Owens



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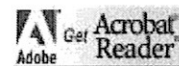
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139792 - SUPPORTERS FOR MONIQUE OWENS

Document	Received	Due	Pages	
Quarterly Stmt (Oct, 2021) (Amended)	03/30/23	-	26	View
Post-Election Stmt - 11/05/2019 General Election (Amended)	03/30/23	-	3	View
DUPLICATE OF 3/14/23 FILING				
Quarterly Stmt (Jul, 2020) (Amended)	-	03/29/23	-	
Error and Omission	03/15/23	-	3	View
Post-Election Stmt - 11/05/2019 General Election (Amended)	03/14/23	03/10/23	3	View
Error and Omission	02/24/23	-	3	View
Pre-Election Stmt - 11/05/2019 General Election (Amended)	02/23/23	02/22/23	3	View
Annual Stmt - 2022 (Amended)	-	02/22/23	-	
Error and Omission	02/08/23	-	3	View
Error and Omission	02/08/23	-	2	View
Annual Stmt - 2022				
COVER PAGE ONLY - SIGNED AND HAS CORRECT DATES	01/31/23	01/31/23	1	View
Annual Stmt - 2022 (Amended)				
SIGNED COVER PAGE-STILL INCORRECT DATES	01/31/23	-	1	View
Annual Stmt - 2022				
MISSING SIGNATURE	01/27/23	01/31/23	4	View
Pre-Election Stmt - 11/05/2019 General Election (Amended)	01/24/23	01/24/23	3	View
Error and Omission	01/10/23	-	3	View
Quarterly Stmt (Oct, 2022) (Amended)	11/14/22	11/14/22	4	View
Quarterly Stmt (Jul, 2022) (Amended)	11/14/22	11/14/22	4	View
Annual Stmt - 2021 (Amended)	11/14/22	11/14/22	5	View
Error and Omission	10/28/22	-	2	View
Error and Omission	10/28/22	-	2	View
Error and Omission	10/28/22	-	2	View
Quarterly Stmt (Oct, 2022)	10/25/22	10/25/22	4	View
Quarterly Stmt (Jul, 2022) (Amended)	10/17/22	09/30/22	4	View
Annual Stmt - 2021 (Amended)	10/17/22	09/30/22	5	View
Error and Omission	09/16/22	-	2	View
Error and Omission	09/16/22	-	2	View

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STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

February 22, 2023

Monique Owens
22480 Petersburg Avenue
Eastpointe, MI 48021

Re: *Schonert v. Owens*
Campaign Finance Complaints No. 2022 – 06 – 25 – 226
2022 – 10 – 137 – 226
2022 – 11 – 185 – 244

Dear Ms. Owens:

The Department of State has concluded its investigation of the complaints filed against you by Matthew Schonert on June 17, 2022, June 28, 2022, October 11, 2022, and November 2, 2022, alleging violations of Michigan Campaign Finance Act (MCFA or Act), 1976 P.A. 388, MCL 169.201 *et seq.* This letter concerns the disposition of those complaints.

Complaints 1 and 2- June 17 and June 28, 2022

Complaints 1 and 2, received on June 17 and June 28, 2022, allege that you failed to properly report the contributions from a fundraiser you hosted on August 15, 2021. The complaints also allege that you distributed a campaign advertisement in a supermarket circular without including a “paid for by” statement.

You responded to these complaints on August 3, 2022. In your response you indicate that you have always reported your fundraiser statements to the Macomb County Clerk and made appointments to correct anything that is noted as incorrect. You further state that you scanned your campaign finance statements using an Office Depot self-scan machine, but unbeknownst to you, the documents were not transmitted to Macomb County due to technical difficulties. You indicate you were unaware of the issue because you never received a notice that you failed to file your campaign finance statements.

Your response also indicates that you were not responsible for the campaign advertisement included in Fresh Choice Market’s weekly store flier. You include in your response a letter from the owner of Fresh Choice Market in which the owner indicates that they were solely responsible for running the advertisement.

On September 19, 2022, Mr. Schonert provided a rebuttal. In his rebuttal, Mr. Schonert indicates that the issue raised in his complaint is not that you failed to file the October 2021 campaign finance statement, but rather that you did file it, yet did not truthfully report activity occurring within the reporting period. Mr. Schonert alleges that you did not amend your October 2021 Quarterly Statement until August 24, 2022, more than a year after the fundraiser he mentioned in

the original complaint took place. Mr. Schonert's rebuttal goes on to outline numerous other errors he believes are contained within your amended filing.

Additionally, Mr. Schonert's rebuttal indicates that even in the example flyer you included in your response, the "paid for by" statement is insufficient as it does not include the committee's address as required. Mr. Schonert went on to provide the image of a yard sign that reads "Vote Monique Owens for State Senator" that also fails to include any "paid for by" statement.

Complaint 1: Fundraiser Reporting

MCL 169.226(1)(d) requires that the following details about a fundraiser be included in a campaign statement:

- (i) The type of event, date held, address and name, if any, of the place where the activity was held, and approximate number of individuals participating or in attendance.
- (ii) The total amount of all contributions.
- (iii) The gross receipts of the fund-raising event.
- (iv) The expenditures incident to the event.

MCL 169.226(1)(d)(i) – (iv). A person who knowingly omits or underreports contributions required to be disclosed by the Act is subject to a civil fine of not more than \$1,000.00 or the amount omitted or underreported, whichever is greater. MCL 169.233(11).

Based on the evidence presented, the Department concludes that there is sufficient evidence to determine that a potential violation of the Act has occurred. Although it appears that you have attempted to amend the relevant reports to provide the necessary disclosure mandated by the Act, you have been unsuccessful in doing so. According to the Macomb County Campaign Finance Reporting [website](#), Macomb County notified you on August 29, 2022, that your August 24, 2022, email was considered an invalid filing, and therefore, not accepted as the necessary amendment to your October 2021 campaign finance statement. To date, this amendment remains unfiled, leaving the Department to conclude that a potential violation of the Act has occurred.

When the Department finds that there may be reason to believe a violation has occurred, the Act requires the Department to use "informal methods such as a conference [or] conciliation" to correct the potential violation or to prevent further violation. MCL 169.215(10).

In order to resolve these complaints, the Department requires you amend your October 2021 campaign finance statement filed with Macomb County to include all required and necessary disclosures under the Act. Upon filing, you should provide a copy of the reports to the Department, and the Department will review and determine whether any further enforcement action is necessary.

The Department notes that your committee may be assessed a late-filing fee by the County Clerk for any statement that was not timely filed. MCL 169.233(7). Late filing fees are assessed and collected by the filing official with whom the statements are filed. MCL 169.217(1). Any questions regarding these late-filing fees should be directed to the County Clerk.

Complaint 2: Campaign Advertisement

The MCFA and corresponding administrative rules require a person who produces printed material that relates to an election to include the phrase “Paid for by [name and address of the person who paid for the item].” MCL 169.247(1), R 169.36(2). A knowing violation constitutes a misdemeanor offense punishable by a fine of up to \$1,000.00, imprisonment for up to 93 days, or both. MCL 169.247(6).

Upon review, the evidence submitted supports the conclusion that a potential violation of the Act has occurred. From the outset, the Department must consider whether the materials fall within the ambit of the MCFA. Because the materials explicitly advocate for the election or defeat of a candidate, or for the passage or defeat of a ballot proposal, the materials contain express advocacy as defined by the Act. MCL 169.206(2)(j). As explained above, such materials must contain a “paid for by” statement listing the name and address of the committee purchasing the materials. However, the evidence shows that the materials at issue here omit part or all of that required statement. That absence supports the conclusion that there may be reason to believe a violation of the MCFA has occurred.

Given this, the Department concludes that a formal warning is a sufficient resolution to the complaint and is hereby advising you that MCL 169.247(1) and R 169.36(2) require you to print a complete and accurate identification statement on all campaign materials. The identification statement must contain the phrase “paid for by” followed by the full name *and address* of your committee.

Note that all printed materials referencing you or your candidacy produced in the future must include this identification statement. For all materials currently in circulation, the paid for by statement must be corrected.

Please be advised that this notice has served as a warning to you of your obligation under the Act to include an identification statement on all campaign materials. This warning may be used in future proceedings as evidence to establish a knowing violation of the Act. A knowing violation is a misdemeanor offense and may merit referral to the Attorney General for enforcement action. MCL 169.247(6), 215(10).

Complaint 3- October 11, 2022

Complaint 3, received on October 11, 2022, alleges that you failed to report contributions submitted to your campaign via a GoFundMe fundraiser page; that you failed to report an in-kind contribution for pavilion rentals; that you failed to report contributors’ full names;¹ that you failed to report the employers and occupations of contributors who gave more than \$100 to your campaign; that you failed to report certain expenditures; and that one of your contributors exceeded the individual contribution limit.

¹ While the Department does not investigate violations based on de minimus errors or omissions such as a misspelled name, inclusion of only a first or last name in campaign finance reporting may not provide sufficient specificity as required by statute.

You responded to this complaint on November 14, 2022. In your response you indicate that when you ran for senator, you were not familiar with MCFA reporting requirements, so you attempted to obtain assistance. You state that you have been doing your very best for almost five years, despite some hiccups. You further indicate that when you received notice of errors, you obtained assistance from a professional to complete amendments to you campaign finance statements.

On December 12, 2022, Mr. Schonert provided a rebuttal. In his rebuttal, Mr. Schonert indicates that the response provided fails to refute any of the allegations he raised in his complaint. Mr. Schonert goes on to indicate that on November 13, 2022, you filed an amended pre-primary campaign statement in an attempt to address the allegations raised in this complaint. Mr. Schonert points out that the differences between the original filing and the amended filing are glaring and substantiate the bulk of the allegations his made in Complaint 3.

The MCFA requires that candidates and committees record the full name, street address, amount contributed, and date of contribution for each individual from whom contributions are received. MCL 169.226(1)(e). Further, if the individual's cumulative contributions are more than \$100.00, the candidate or committee must also report the individual's occupation, employer, and principal place of business. *Id.* For each person other than an individual, candidates and committees need not include the additional employment information but must provide all other contributor information previously listed. MCL 169.226(1)(g).

In Michigan, contributions to a candidate committee are governed by statute. MCL 169.252. Specifically, in Michigan, an individual may not contribute more than \$2,100² to a state senate candidate. MCL 169.252.

Based on the evidence presented, the Department concludes that there is sufficient evidence to determine that potential violations of the Act have occurred. You acknowledge in your response you did not understand the intricacies of the MCFA prior to filing your campaign finance statements and that lack of understanding resulted in errors, but you further offer that you have since hired professional assistance in amending these reports.

Based on your admission that the reports were not timely filed disclosing the necessary contribution, the Department concludes that a potential violation of the Act has occurred. When the Department finds that there may be reason to believe a violation has occurred, the Act requires the Department to use "informal methods such as a conference [or] conciliation" to correct the potential violation or to prevent further violation. MCL 169.215(10).

Because it appears that you have amended the relevant reports to provide the necessary disclosure mandated by the Act, the Department concludes that a formal warning is sufficient resolution to Complaint 3. The Department notes that it will review the reports and may issue any late filing fees or notices of error or omission as part of its standard review process. This letter serves as a warning to prevent further violation of the Act.

² Contributions are adjusted for inflation every four years. MCL 169.246.

Complaint 4- November 2, 2022

Complaint 4, received on November 2, 2022, alleges that you impermissibly used campaign funds for clothing and dry-cleaning services—services which he alleges were personal and not in furtherance of your campaign.

You responded to this complaint on December 1, 2022. In your response you indicate that you did not use your campaign funds to purchase clothes for personal use. You state that you used money to buy clothing for campaign events, and that dry cleaning services were necessary because most of the clothing was bought from second-hand stores and the clothing needed to be cleaned in order to wear it to campaign events. You further state that your attire represented you as a candidate and you wanted to look presentable, as that is important for any race for office.

On December 12, 2022, Mr. Schonert provided a rebuttal. In his rebuttal, Mr. Schonert indicates that he cannot find any MCFA guidance that permits the use of committee funds to purchase business attire or dry-cleaning services. Mr. Schonert goes on to indicate that committee expenditures must be shown to provide a tangible benefit to further the nomination or election of the candidate.

Section 44 of the MCFA provides that, generally, a candidate committee may not make an expenditure or other disbursement except to further the nomination or election of the candidate for which it is formed. MCL 169.244.

In creating and defining expenditures under section 6 of the Act, the Legislature has provided a guiding framework for limiting how and to whom committees may disburse their money. Registered committees are subject to a number of limitations when making expenditures. “Expenditures by a candidate committee must be made for the purpose of influencing an election, not for the personal benefit of an individual.” *Interpretive Statement to Christopher Rose*, Issued November 2, 1978. Candidate committees are allowed disbursements only if they qualify as expenditures, which in turn are subject to limitations.

Typically, to determine whether a disbursement is a personal expense, the Department applies a “but-for” test in order to ascertain whether the expenditure may be personal in nature: If the disbursement would have occurred irrespective of the individual’s status as a candidate or an office holder, the expenditure is a prohibited personal expense. *Interpretive Statement to Kevin Hertel*, Issued April 15, 2021.

The Department concludes that there is insufficient evidence to support the conclusion that committee funds were used for personal use. Specifically, the Department finds credible your explanation that the clothing and dry cleaning were necessary to help influence your election, by providing professional attire to wear to campaign events. Your explanation indicates that, had you not been running for election, you would not have incurred these expenses; therefore, it is appropriate to find that these expenditures were for the purpose of influencing an election and not for your personal benefit. As such, the Department dismisses the Section 44 allegations contained in Complaint 4.

Resolution

Upon review, the evidence submitted supports the conclusion that potential violations of the Act have occurred, as explained above. When the Department finds that there may be reason to believe a violation has occurred, the Act requires the Department to use “informal methods such as a conference [or] conciliation” to correct the potential violation or to prevent further violation. MCL 169.215(10). The Department has 90 business days to reach an informal resolution of the matter. *Id.*

The Department has provided above the necessary requirements to resolving the complaint, which require you to file the appropriate reports with the Macomb County Clerk’s Office. If the Department is unable to informally resolve the complaint by July 3, 2023, the Act requires the Department to refer the matter to the Department of Attorney General with a request that the office prosecute the criminal penalties outlined under the Act. MCL 169.233(11).

Sincerely,

Adam Fracassi, Regulatory Manager
Bureau of Elections
Michigan Department of State

c: Matthew Schonert



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

June 30, 2023

Monique Owens
22480 Petersburg Ave
Eastpointe, MI 48021

Re: *Schonert v. Owens*
Campaign Finance Complaints No. 2022 – 06 – 25 – 226
2022 – 10 – 137 – 226
2022 – 11 – 185 – 244

Dear Ms. Owens,

The Department of State (Department) is in receipt of your March 31, 2023 response to the Department's February 21, 2023 determination regarding an alleged violation of the Michigan Campaign Finance Act (MCFA or Act), 1976 P.A. 388, MCL 169.201 *et seq.*

Mr. Matthew Schonert filed formal complaints against you on June 17, 2022, June 28, 2022, October 11, 2022, and November 2, 2022, alleging violations of the MCFA. In its determination, after considering the evidence submitted by the parties, the campaign finance filings, and the relevant MCFA sections, the Department found that there was sufficient evidence to determine that a potential violation of the Act had occurred. The Department instructed you to amend relevant portions of your October 2021 statement filed with the Macomb County Clerk's office.

On March 31, 2023, you responded to the Department and included a copy of proof of service of your October 2021 amended report to Macomb County. You indicated that the county did not receive the report due to an "electronic default." The Department independently reviewed Macomb County's campaign finance page and noted that you did submit your amended October 2021 quarterly report on March 31, 2023. Several times subsequently, you have been issued error and omission notices by the county and have resubmitted the report. Because you have resubmitted the report at least four times in the past three months, the Department is satisfied that you are complying with the established campaign finance reporting and enforcement process and is satisfied that the matter is being resolved.

Additionally, although it was not the subject of a complaint, you submitted a request for a good cause waiver from the Department as part of your response to the complaint on March 31, 2023.

Your State Senate committee, which files with the Department, was assessed late filing fees on your Pre-Primary and Post-Primary Campaign Statements on October 26, 2022. You subsequently requested that the Department waive both assessed late filing fees, and on April 12, 2023, the Department waived the late filing fee assessed for your Post-Primary Campaign

Monique Owens

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Statement but did not waive the fee assessed for your Pre-Primary Campaign Statement. The Department received your Late Filing Fee assessed for the 2022 Pre-Primary Campaign Statement on April 25, 2023. Your request to dissolve your committee was subsequently granted on May 3, 2023. The Department provides this description as a courtesy to indicate that your obligations to the Department—separate from the complaint filed against you with regards to alleged violations in reports to Macomb County—have been satisfied.

Thank you for your resolution of this matter.

Sincerely,

Regulatory Section
Bureau of Elections
Michigan Department of State