Complaint Against:

International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW) 8000 East Jefferson Avenue Detroit, Michigan 48214 Telephone number: (313) 929-5000

Complainant:

Eric Ventimiglia 123 W. Allegan, Suite 770 Lansing, MI 48933 Telephone No. 586.216.4940

Dated: January 30, 2023

Filed Pursuant to MCL 169.215 and the Administrative Rules of the Michigan Department of State Bureau of Elections Richard H. Austin Building, 1st Floor 430 W. Allegan Lansing, Michigan 48918

COMPLAINT

Complainant, Eric Ventimiglia, whose address is 123 W. Allegan, Suite 770, Lansing, Michigan 48933, Telephone: 586.216.4940, declares to the Michigan Secretary of State the following:

STATEMENT OF FACTS

- 1. Respondent International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW) is a labor organization.
- 2. Respondent UAW paid for digital advertisements (the "Advertisement") expressly advocating the election of Governor Gretchen Whitmer, a candidate for state elective office under the Michigan Campaign Finance Act (the "Act"). The Advertisement indicates that it is "paid for by" Respondent UAW. See Attachment 1.
- 3. On October 18, 2022, the Advertisement began airing on Facebook and the Respondent UAW spent a minimum of \$50,000 on these Facebook ads. <a href="https://www.facebook.com/ads/library/?active_status=all&ad_type=political_and_issue_ads&country=US&view_all_page_id=205395906412&sort_data[direction]=desc&sort_data[mode]=relevancy_monthly_grouped&search_type=page&media_type=all; Ad Library (facebook.com) See Attachment 2.
- 3. Respondent UAW states in the Advertisement: "Not authorized by any candidate or candidate's committee" which serves as an admission under MCL 169.247(1) that the Advertisement is an independent expenditure on behalf of Governor Gretchen Whitmer. See Attachment 1.
- 4. According to Section 51(1) of the Act, Respondent UAW was required to file an Independent Expenditure Report with a "candidate" means, among other things, an individual:
 - "A person, other than a committee, that makes an independent expenditure, advocating the election or defeat of a candidate or the qualification, passage, or defeat of a ballot question, in an amount of \$100.01 or more in a calendar year shall file a report of the independent expenditure, within 10 days after making that independent expenditure, with the clerk of the county of residence of that person. If the independent expenditure advocates the election or defeat of a candidate for state elective office or for judicial office, or for the qualification, passage, or defeat of a statewide ballot question, or if the person making the independent expenditure is not a resident of this state, the person shall file the report with the secretary of state in lieu of filing with a clerk of a county. The report required under this section must be made on an independent expenditure report form provided by the secretary of state, include the date of the expenditure, a brief description of the nature of the expenditure, the amount, the name and address of the person to whom it was paid, the name and address of the person

filing the report, together with the name, address, occupation, employer, and principal place of business of each person that contributed \$100.01 or more to the expenditure, and identify the candidate or ballot question for or against which the independent expenditure was made. The filing official receiving the report shall forward copies, as required, to the appropriate filing officers as described in section 36." (Emphasis added)

- However, according to the Secretary of State database for Independent Expenditure Report filings for 2022, Respondent UAW has failed to file an Independent Expenditure Report with respect to the Advertisement. See Independent Expenditures 2022 (michigan.gov)
- 6. According to Section 51(2) of the Act, the penalty for Respondent UAW's violation is as follows:

"If a person fails to file a report as required under this section, that person shall pay a late filing fee. If the person has made independent expenditures totaling \$10,000.00 or more, the late filing fee is \$50.00 for each business day the report remains unfiled, but not to exceed \$5,000.00. A person that violates this subsection by failing to file a report required under this section for more than 30 days after the report is required to be filed is guilty of a misdemeanor punishable by imprisonment for not more than 90 days or a fine of not more than \$1,000.00, or both."

REQUEST FOR ACTION BY THE SECRETARY OF STATE

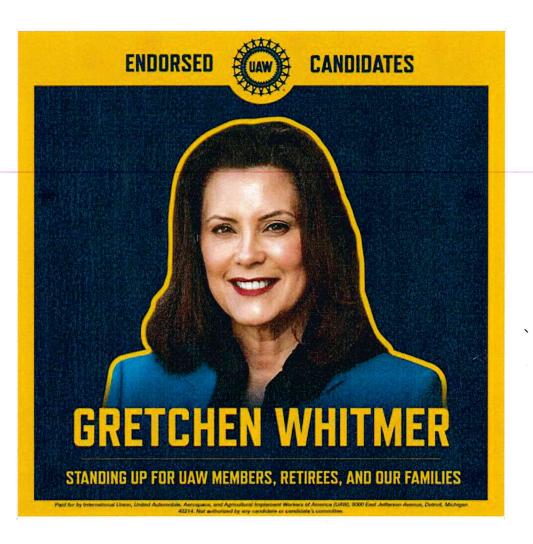
Accordingly, the Complainant respectfully requests that the Secretary of State immediately investigate these violations and determine as a matter of law that the Respondent has violated Section 51 of the Michigan Campaign Finance Act and to assess all appropriate penalties. Further, the Complainant respectfully 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,

<u>Cric Ventimiglia</u> Eric Ventimiglia Dated: January 30, 2023

ATTACHMENT 1



ATTACHMENT 2

Summary data

Advertisers often use the same image or video and text to create ad campaigns with different start dates, locations or budgets. This section contains the collective data for 2 ads.

Amount spent

The estimated total money this advertiser spent on these ads.

Learn more

Amount spent

\$50K - \$60K (USD)

Impressions

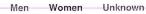
The number of times these ads were seen on a screen. This may include multiple views by the same people. Learn more

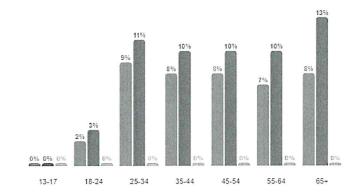
Impressions

>1M

Who was shown these ads

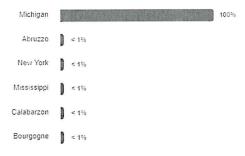
The age and gender breakdowns of people who saw these ads.





Where these ads were shown

The regions where people who saw these ads are located.



2 adsAny filters you applied to the search results are also applied to this group of ads. To adjust the filters, go back to the search results.

Inactive

Oct 18, 2022 - Nov 9, 2022

Platforms

Categories

Estimated Audience Size: 100K - 500K people

Amount spent (USD): \$50K - \$60K

Impressions: >1M

ID: 803193744069435

Open Dropdown

See ad details



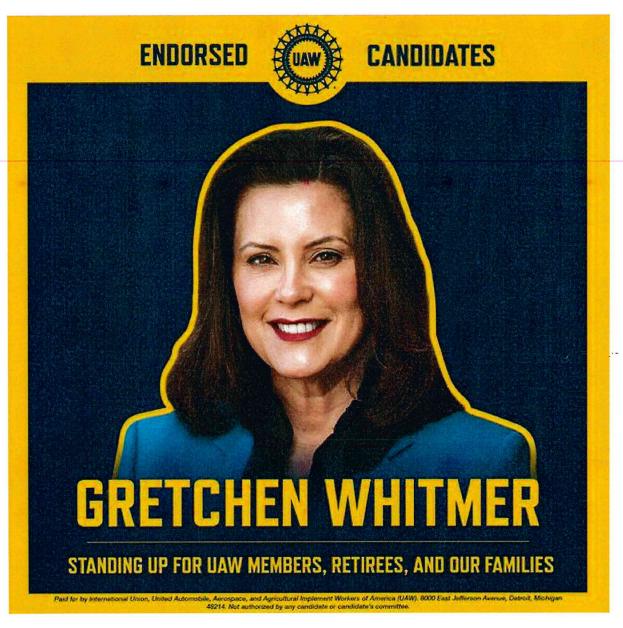
UAW International Union

Sponsored • Paid for by INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AM

UAW ENDORSEMENT!

We endorse candidates who will:

| → | Safeguard and strengthen our pensions, 401(k)s, and Medicare and Social Security benefits |
|----------|---|
| - | Stand up to drug companies to lower prescription costs |
| - | Help our families with rising costs by protecting our wages and benefits |



UAWENDORSEMENT.ORG

Your vote is your voice!

There's only one winner for UAW members, retirees, and their families.

Learn more

Inactive

Oct 18, 2022 - Oct 19, 2022

| Pl | atforms | 5 |
|----|------------|---|
| | acioi iii. | , |

Categories

Estimated Audience Size: 100K - 500K people

Amount spent (USD): \$700 - \$799

Impressions: 50K - 60K

ID: 1828229904369840

Open Dropdown

See ad details



UAW International Union

Sponsored • Paid for by INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AM

UAW ENDORSEMENT!

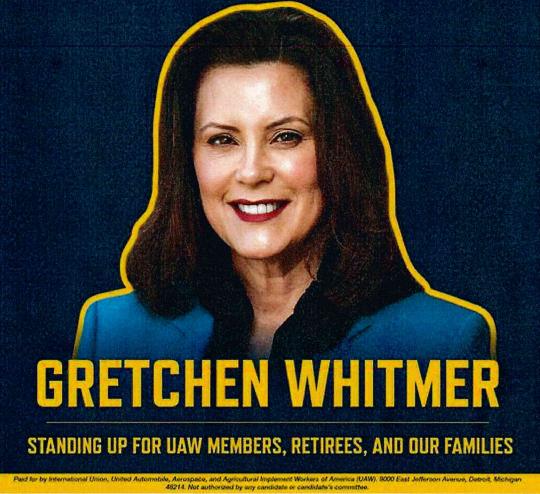
We endorse candidates who will:

| ☐ Safeguard and strengthen our pensions, 401(k)s, and Medicare and Social Security benefits |
|---|
| ☐ Stand up to drug companies to lower prescription costs |
| Help our families with rising costs by protecting our wages and benefits |

ENDORSED



CANDIDATES





STATE OF MICHIGAN JOCELYN BENSON, SECRETARY OF STATE

DEPARTMENT OF STATE

LANSING

February 10, 2023

International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW) 8000 East Jefferson Avenue
Detroit, MI 48214

Re: Ventimiglia v. UAW

Campaign Finance Complaint No. 23-013

Dear UAW:

The Department of State (Department) has received a formal complaint filed against you by Eric Ventimiglia alleging that you violated the Michigan Campaign Finance Act (MCFA or Act). Specifically, the complaint alleges that you failed to file an independent expenditure report disclosing your digital advertisements on Facebook depicting Governor Whitmer. A copy of the complaint is included with this notice.

The MCFA requires that a person, other than a committee, that makes an independent expenditure of \$100.01 or more must file an independent expenditure report within 10 days of making the expenditure. MCL 169.251(1). A person who fails to file a required report may be subject to late filing fees up to \$5,000 and a civil fine up to \$1,000, and/or imprisonment for no more than 90 days.

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>. 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*. An explanation of the process is included in the enclosed guidebook.

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. Materials may be emailed to BOERegulatory@michigan.gov or mailed 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.

International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW) Page 2

A copy of your answer will be provided to Mr. Ventimiglia, who will have an opportunity to submit a rebuttal statement to the Department. After reviewing the statements and materials 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.

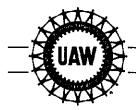
If you have any questions concerning this matter, you may contact the Regulatory Section of the Bureau of Elections at BOERegulatory@Michigan.gov.

Sincerely,

Regulatory Section Bureau of Elections Michigan Department of State

Enclosure c: Eric Ventimiglia





8000 EAST JEFFERSON AVE. DETROIT, MICHIGAN 48214 PHONE (313) 926-5000

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA - UAW

SHAWN FAIN, PRESIDENT • MARGARET MOCK, SECRETARY-TREASURER VICE-PRESIDENTS: CHUCK BROWNING • MIKE BOOTH • RICH BOYER

General Counsel
Abigail V. Carter

Deputy General Counsel Jeffrey D. Sodko Special Counsel Niraj R. Ganatra

Associate General Counsel

Zachary Adams Ava Barbour Carlos Bermudez James Britton Lisa M. Harrison William J. Karges Sarah Karpinen Sarah C. Laws Edward A. Macey

Daniel Scott Stuart Shoup Tammie J. Tischler

March 27, 2023

Department of State, Bureau of Elections Richard H. Austin Building, 1st Floor 430 West Allegan Street Lansing, Michigan 48918 <u>Via Email</u> <u>BOERegulatory@michigan.gov</u>

Re:

UAW, International Union's Answer to Ventimiglia v. UAW, Campaign Finance Complaint

No. 23-013

Dear Michigan Bureau of Elections:

This response is submitted on behalf of the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) in the matter of *Ventimiglia v. UAW*, campaign finance complaint No. 23-013. Ventimiglia's complaint alleging that the UAW failed to file an independent expenditure report to the state of Michigan for an October 18, 2022, Facebook advertisement should be dismissed as it is procedurally deficient and lacks merit.

The Compliant is Procedurally Deficient

The complaint should be dismissed as procedurally deficient because it failed to satisfy the form requirements under MCL 169.215(6). MCL 169.215(6)(b) mandates that a complaint must state the name, address, and telephone number of the complainant. It appears that Ventimiglia failed to include his address in the complaint as required. Instead, the complaint provided the address of an organization not identified in the complaint. This is clearly inadequate under the express provisions of the law. Inclusion of complainant's own address is a mandatory filing requirement.

The Bureau of Elections Guidebook for Complainants and Respondents reiterates the necessity to include the complainant's name, <u>address</u> and telephone number. As the Guidebook simply



states: "The failure to submit a complaint that furnishes all of the above must result in dismissal."

Notably, the failure to provide the complainant's address hampered the UAW's investigation into Ventimiglia allegation that he received a communication intended for UAW members and spouses. The complaint's failure to meet this fundamental procedural requirement warrants dismissal.

Targeted Restricted Class Communications Do Not Trigger IE Reporting Requirements

The Facebook advertisement identified in the procedurally deficient complaint was not an independent expenditure as Ventimiglia speculates. It was designed to target the UAW's restricted class. As such, the Michigan Campaign Finance Act ("MCFA") independent expenditure reporting obligation was not implicated.

The MCFA specifically excludes expenditures for communications to a labor organization's members and those individual's who can be solicited to contribute to its separate segregated fund from the definition of the term "expenditure." MCL 169.206(2)(a). The Facebook advertisement at issue here was designed to go to that exact group - the UAW's restricted class of individuals who fall within the expenditure exception. The UAW utilized a vendor to communicate with its restricted class via targeted Facebook messaging. Restricted class members were targeted utilizing unique identifying information associated at its root to a UAW member. The communication targeted those individuals that fall within the statutory exception. It was not communicated to the general public. Fundamentally, this was a membership communication.

As such, the communication at issue was within the section 6 exception to the term "expenditure." The UAW's targeted Facebook advertisement was not an MCLA governed expenditure. The entire "independent expenditure" reporting requirement regime is premised on the existence of an underlying expenditure. Since there was no such statutory expenditure present here, the communication did not trigger the independent expenditure reporting requirement. This is a case in which the UAW simply made a membership expenditure within the MCLA expenditure exception. Consequently, the UAW did not have a reporting obligation as the complaint alleged. There was no violation.

To the extent Ventimiglia claims he received the UAW's membership communication, it would have likely been an error caused by overlap of identifying information with a UAW member, member spouse, or other person within the restricted class. Such an error does not change the nature of the communication. This was conceived and designed as a communication from the UAW to its membership and related individuals as permitted by the MCLA.

Conclusion

The complaint is procedurally deficient and, as such, should be dismissed. Even if the Bureau of Elections decides not to dismiss the complaint based on this flaw, the Bureau should not pursue



Ventimiglia's speculative complaint as it lacks merit. The communication was a permissible targeted message to the UAW's restricted class. Therefore, the UAW did not trigger the independent expenditure reporting mechanism. There was no violation of the Act.

We ask that the complaint be dismissed.

Sincerely,

Carlos Bermudez

Associate General Counsel

CB:ac opeiu494/afl-cio





STATE OF MICHIGAN JOCELYN BENSON, SECRETARY OF STATE

DEPARTMENT OF STATE Lansing

March 29, 2023

Eric Ventimiglia 123 W. Allegan, Suite 770 Lansing, MI 48933

Re: Ventimiglia v. UAW

Campaign Finance Complaint No. 23-013

Dear Mr. Ventimiglia:

The Department of State received a response from the International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW) to the complaint you filed against them alleging a violation of the Michigan Campaign Finance Act, 1976 P.A. 388, MCL 169.201 *et seq.* A copy of the response is provided as an enclosure with this letter.

You may file a rebuttal statement after reviewing the enclosed response. <u>If you elect to file a rebuttal statement, you are required to do so within 10 business days of the date of this letter.</u> The rebuttal statement may be emailed to <u>BOERegulatory@Michigan.gov</u> or mailed to the Department of State, Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918.

Sincerely,

Regulatory Section
Bureau of Elections
Michigan Department of State

Enclosure c: UAW

From: <u>Eric Ventimiglia</u>
To: <u>MDOS-BOERegulatory</u>

Subject: Ventimiqlia v UAW; Campaign Finance Complaint No. 23-013; Rebuttal Statement

Date: Wednesday, April 12, 2023 1:39:23 PM

CAUTION: This is an External email. Please send suspicious emails to abuse@michigan.gov

Please consider this email to be the Rebuttal Statement in the above-referced matter.

The UAW's only defense here is that the Whitmer ad was a member communication. To this end, the UAW states the following in the Response – without attaching or otherwise providing any documentary evidence to substantiate such claims:

"The Facebook advertisement at issue here was designed to go to that exact group - the UAW's restricted class of individuals who fall within the expenditure exception. The UAW utilized a vendor to communicate with its restricted class via targeted Facebook messaging. Restricted class members were targeted utilizing unique identifying information associated at its root to a UAW member. The communication targeted those individuals that fall within the statutory exception. It was not communicated to the general public. Fundamentally, this was a membership communication."

This statement is untrue because this Whitmer ad popped up multiple times on publicly available websites such as the Detroit News/Free Press webpages. That is how this Whitmer ad was brought to my attention in the first place. I am hardly a UAW member. This statutory "members only" exemption does not apply when more than an incidental amount of non-members receive the communication. For example, if the UAW rented a highway billboard that read "Attention all UAW members—Vote Whitmer"---such a billboard would not allow the UAW to rely upon the "members only" exception, as it is attempting to do here.

In addition, the language of the Whitmer ad itself suggests that this ad was a publicly available communication. To this end, the "Paid for by" language in the Whitmer ad itself would not be used if this truly was a "members only" communication pursuant to the statutory exception set forth in Section 47(1) of the Michigan Campaign Finance Act.

Thank you for your consideration of this Rebuttal Statement.

MDOS-BOERegulatory

From: MDOS-BOERegulatory

Sent: Wednesday, May 3, 2023 3:49 PM

To: cbermudez@uaw.net

Subject: Ventimiglia v. UAW request for additional information

Attachments: 2023.01.30 Ventimiglia v. UAW et al. 23-013.pdf; 2023.03.27 UAW Response Ventimiglia

v. UAW et al 23-013.pdf; 2023.04.12 Vertimiglia Rebuttal Ventimiglia v UAW.pdf

Mr. Bermudez,

The Department is reviewing the Ventimiglia v. UAW complaint and requires additional information from you before a determination can be issued. In your response to the complaint, you indicated that the advertisement in question was "designed to target the UAW's restricted class" and stated that the members of this restricted class were "targeted utilizing unique identifying information associated at its root to a UAW member." You did not, however, specify what this information was or how it was used to target members of a restricted class by the vendor you report to have hired. Please provide any additional information you may have regarding how the advertisement in question was specifically targeted to members of a restricted class. A copy of the complaint, your response, and the rebuttal received from Mr. Ventimiglia have been attached to this email.

Erin Lillie, Associate Legal Director Secretary of State Jocelyn Benson Michigan Department of State From: Bermudez, Carlos
To: MDOS-BOERegulatory

Subject: RE: Ventimiglia v. UAW request for additional information

Date: Friday, May 19, 2023 3:54:24 PM

CAUTION: This is an External email. Please send suspicious emails to abuse@michigan.gov

Ms. Lillie,

Please accept this email as the UAW's response to your May 3, 2023, request for additional information in the *Ventimiglia v. UAW* matter.

Here, the membership communication in question was a highly targeted communication. Such targeted communications within Facebook and outside of Facebook work similarly in the sense that both use 1st party data (in this instance, the UAW restricted class list) to inform the audience creation. The UAW provides its vendor with a list containing restricted class members' unique identifying information. The unique information includes: first name, last name, city, state, zip code, cell phone number, and email address. Additionally, the vendor uses age and birth date if the information is available. The vendor, through Facebook (Meta) or a Demand Side Platform engaging in 1st party targeting, matches individuals identified on the UAW restricted class list with Facebook (Meta) subscribers, in the case of Facebook, or restricted class members' specific devices, in the case of communications outside of that social media, making a smaller subset of the list. Individuals from this subset of the list are delivered the communication during a limited period if they log on to Facebook or use their device to visit websites that trigger the targeted communication.

The Facebook communication is only delivered on behalf of the UAW to the specific Facebook profiles that Meta matched to the UAW restricted class list using its proprietary algorithm and only if he or she is logged on to the social media. It is not delivered on behalf of the UAW to the general Facebook user population. So, a person who is not on the restricted class list can log on and scroll Facebook, but she would not have been served the communication by the UAW. However, a person from the list, who has a Facebook account, is logged on, and is active on the social media during the relevant period would have had it delivered to their profile by the UAW.

In the example of certain communications outside of Facebook, it is only visible to the restricted class member's device that corresponds with the unique identifying data points and only if they view the trigger website during a specific period while in Michigan. This is highly targeted to the UAW's restricted class.

In fact, the communication is not even available to the entire set of the UAW restricted class. The communication is delivered only to those individuals from the UAW's restricted class list who are positively matched. For example, many of the UAW restricted class members on the list may not have Facebook. Consequently, such an individual would not be a match for those Facebook communications. Once the first party data is uploaded to their respective platforms, the platforms must match the information on the list to the targeted audience, which is rarely 100% of the list. So, the communication is only attempted to be delivered to a subset of the individuals on the UAW restricted class list. And only those from the subset of the UAW list who log onto Facebook or visit the relevant website from their device during the specific available period can view the communication. So, not even the entire subset is delivered the communication.

Ultimately, the communication is delivered by the UAW to a subset of the UAW's restricted class and only a portion of that subset might actually view the communication. This is squarely a membership communication similar to a communication to a member's e-mail address or a mailing to a member's home.

Carlos Bermudez Associate General Counsel

International Union, UAW

From: MDOS-BOERegulatory < MDOS-BOERegulatory@michigan.gov>

Sent: Wednesday, May 3, 2023 3:49 PM

To: Bermudez, Carlos < CBermudez@uaw.net>

Subject: Ventimiglia v. UAW request for additional information

Mr. Bermudez,

The Department is reviewing the Ventimiglia v. UAW complaint and requires additional information from you before a determination can be issued. In your response to the complaint, you indicated that the advertisement in question was "designed to target the UAW's restricted class" and stated that the members of this restricted class were "targeted utilizing unique identifying information associated at its root to a UAW member." You did not, however, specify what this information was or how it was used to target members of a restricted class by the vendor you report to have hired. Please provide any additional information you may have regarding how the advertisement in question was specifically targeted to members of a restricted class. A copy of the complaint, your response, and the rebuttal received from Mr. Ventimiglia have been attached to this email.

Erin Lillie, Associate Legal Director Secretary of State Jocelyn Benson Michigan Department of State



STATE OF MICHIGAN JOCELYN BENSON, SECRETARY OF STATE

DEPARTMENT OF STATE

LANSING

June 16, 2023

Carlos Bermudez
Attorney for the International Union, United Automobile,
Aerospace, and Agricultural Implement Workers of America (UAW)
8000 East Jefferson Avenue
Detroit, MI 48214

Re: Ventimiglia v. UAW

Campaign Finance Complaint No. 23-013

Dear Mr. Bermudez:

The Department of State (Department) has finished investigating the campaign finance complaint filed against your client, the International Union, United Automobile, Aerospace, and Agricultural Workers of America (UAW) by Eric Ventimiglia alleging that the UAW violated the Michigan Campaign Finance Act (MCFA or Act). This letter concerns the disposition of that complaint.

The complaint alleged that the UAW failed to file an independent expenditure report disclosing their digital advertisements on Facebook depicting Governor Whitmer.

Acting as the UAW's attorney, you responded to the complaint on March 27, 2023. In that response, you stated that the advertisement is not an independent expenditure. Specifically, you argued that because the advertisement was targeted to UAW members, it falls within a specifically defined expenditure exemption, which states an expenditure is not "communication by a person with the person's paid members or shareholders and those individuals who can be solicited for contributions to a separate segregated fund." MCL 169.206(2)(a). You additionally argued the complaint was procedurally deficient as the complainant had failed to include their address with their complaint. As the complainant's address was included on the first page of the complaint, this argument will not be addressed moving forward.

Ventimiglia provided a rebuttal statement to your response, received by the Department on April 12, 2023. In the rebuttal, Ventimiglia argued your client failed to submit sufficient evidence to demonstrate the advertisement was truly a member communication. He also argued that the inclusion of "paid for by" language included in at the bottom of the advertisement, shows it was intended for public consumption.

International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW) Page 2

Upon reviewing the evidence submitted by both parties, the Department requested additional information from your client that would demonstrate how the UAW targeted the Facebook advertisement only to members of the specific class. On May 19, 2023, you provided the requested information via a follow up email to the Department. You stated the UAW provided a third-party vendor with a list of identifiers pulled from the UAW restricted class list. This list included data such as the member's first and last names, city, state, zip code, cell phone number, and email address. For members where the information was available, this also included their age and date of birth. The information was then matched to Facebook profiles by the third-party vendor, creating the audience for the targeted advertisement.

According to your response, any members whose data was not positively matched on Facebook were not included in the audience, further narrowing the potential audience. The advertisement was then shown only to members of the UAW restricted class list with matched profiles when logged in to their Facebook profile. Per your responses, the advertisement was only shown outside Facebook to "the restricted class member's device that corresponds with the unique identifying data points and only if they view the trigger website during a specific period while in Michigan." In summary, you stated the Facebook advertisement was comparable to a mailing list email or flyer sent directly to the home of a UAW member and should be treated as such.

Accordingly, the Department proceeds to the determination stage considering all of the relevant materials provided by both parties.

The MCFA requires that a person, other than a committee, which makes an independent expenditure of \$100.01 or more must file an independent expenditure report within 10 days of making the expenditure. MCL 169.251(1). A person who fails to file a required report may be subject to late filing fees up to \$5,000 and a civil fine up to \$1,000, and/or imprisonment for no more than 90 days.

The Act clearly defines actions which are not considered to be expenditures under the Act, including "communication by a person with the person's paid members or shareholders and those individuals who can be solicited for contributions to a separate segregated fund as authorized under section 55." MCL 169.206(2)(a). Section 55 of the Act identifies those groups from which contributions for a separate segregated fund may be collected, including by a labor union. MCL 169.255(4).

The Department has reviewed the evidence submitted in this matter and finds that insufficient evidence has been presented to support a finding of a potential violation of the MCFA. Specifically, the Department finds your explanation of how the advertisement in question was specifically targeted to members of the UAW credible. The process outlined in your response reflects industry standard practice for creating a targeted audience of a Facebook advertisement, resulting in a limited, specific audience consisting of UAW members. As such, the Department dismisses the Section 6 allegations contained in the complaint.

International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW) Page 3

Further, the Department dismisses the complaint and will take no further action.

Sincerely,

Jenny McInerney, Regulatory Attorney

Regulatory Section Bureau of Elections

Michigan Department of State

c: Eric Ventimiglia