Michigan Department of State - Bureau of Elections Richard H. Austin Building 1st Floor 430 W. Allegan St, Lansing, MI 48918

19 May 2023

Complainant	Alleged Violator
Jason A. Watts	Allegan County Democratic Party – Cte # 1176
P.O. Box 216	PO BOX 1175
Allegan, MI 49010-0216	668 MASON STREET
269.998.3991	P.O. BOX 838
jaw.watts@gmail.com	SAUGATUCK, MI 49453
Section of MCFA alleged to be violated:	MCL 169.247, 169.229

Now appears Mr. Jason A. Watts, Complainant, PO Box 216, Allegan, MI 49010, making his complaint against the Allegan County Democratic Party (aka "Party" or "ACDP") – Cte. #1176. In this complaint, Mr. Watts states:

- 1. That the Allegan County Democratic Party is a county political party committee and files with the Michigan Bureau of Elections.
- 2. That the Allegan County Democratic Party is putting out advertisements with <u>an</u> <u>incomplete</u> disclaimer in violation of MCL 169.247 (attached). A proper disclaimer must say: "Paid for by [Committee Name] [Committee Address] with regulated funds". The disclaimer that they do have states that the notice was "Printed in house with donated labor".
- 3. That the notice claims that this is a recurring event¹, but no dollar amounts corresponding to this fundraiser's giving levels appear among the Party's contributions from last year. This begs the question if the Party has reported all its contributions and expenditures for the previous cycle.
- 4. That the term "In house" is deceptive and does not comply with MCL 169.229. Does the Party have a paper factory, ink factory, and printing press in its offices? Complainant believes that this is a way for the Party to omit such expenses/in-kind donations relating to the broadcast of this fundraiser announcement.

¹ "Join Us for Another Fabulous Gathering!"

5. That the second part of this disclaimer "with donated labor" is also concerning and does not comply with MCL 169.229. Complainant believes that the Party will not report the in-kind donation of [fair market] labor attached to this communication. Are the Allegan County Democrats running a sweat shop?

Mr. Watts believes that the Allegan County Democratic by not having a complete disclaimer on this communication is knowingly trying to circumvent the MCFA **169.247**, and **169.229**, and that a **\$1,000** fine, imprisonment for up to **93 days**, or **both** be assessed.

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

Jason A. Watts, Complainant

5/19/23

Date







STATE OF MICHIGAN JOCELYN BENSON, SECRETARY OF STATE

DEPARTMENT OF STATE Lansing

May 24, 2023

Jason A. Watts P.O. Box 216 Allegan, MI 49010-0216

Re: Watts v. Allegan County Democratic Party

Campaign Finance Complaint No. 23-036

Dear Mr. Watts,

The Department of State (Department) acknowledges receipt of your May 19, 2023 complaint alleging a violation of the Michigan Campaign Finance Act (MCFA or Act). Specifically, the complaint alleges that you received campaign materials, which did not include a "Paid for by" statement as required by Michigan law, and that you believe that the Allegan County Democratic Party did not report certain contributions and expenditures in 2022, likewise as required by Michigan law.

The MCFA requires that candidates and committees file campaign statements containing the full name, street address, amount contributed, and date of contribution for each individual for whom contributions are received. MCL 169.229(1)(a). Likewise, candidates and committees are also required to include "an itemized list of all expenditures and loans made during the period covered by the campaign statement that were contributions to a candidate committee of a candidate for elective office or a ballot question committee; or independent expenditures in support of the qualification, passage, or defeat of a ballot question or in support of the nomination or election of a candidate for elective office or the defeat of any of the candidate's opponents." MCL 169.229(1)(c).

The MCFA and corresponding administrative rules require a person who produces printed material that relates to an election 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).

A complaint submitted under the MCFA must be signed by the complainant, must state the name, address, and telephone number of the complainant, and must include a "certification that, to the best of the complainant's knowledge, information, and belief, formed after a reasonable inquiry under the circumstances, each factual contention of the complaint is supported by evidence. However, if, after a reasonable inquiry under the circumstances, the complainant is

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unable to certify that certain factual contentions are supported by evidence, the complainant may certify that, to the best of his or her knowledge, information, or belief, there are grounds to conclude that those specifically identified factual contentions are likely to be supported by evidence after a reasonable opportunity for further inquiry." MCL 169.215(6).

Unfortunately, your Section 29 complaint did not include sufficient evidence to allow the Department to determine whether a potential violation of the MCFA has occurred. Such evidence might include photographic or documentary proof of a 2022 contribution or expenditure that the Allegan County Democratic Party did not report. Without such evidence, the Department cannot make any determination as to whether the Allegan County Democratic Party violated Section 29 of the MCFA by failing to report a contribution or expenditure.

While your complaint did provide photographic evidence of your allegations as to your Section 47 complaint, it is the Department's determination that no potential violation of the MCFA has occurred. Section 47 applies only to printed material that relates to an election, or which advocates for the election or defeat of a candidate for office. The materials in question that you have submitted do not fall under that definition. It is the Department's determination instead that the invitation to the "Michigan Summer Barbeque" is rather an invitation to a fundraising event, and not campaign material that would fall under the requirements of Section 47. As a result, there has been no violation of the MCFA by the Allegan County Democratic Party's failure to include a "Paid for by" statement on the materials submitted.

For the above reasons, your complaint as to Section 47 is dismissed with prejudice. Your complaint as to Section 29 is dismissed without prejudice. You may resubmit your Section 29 complaint if you provide additional evidence of the potential MCFA violation. We will retain your complaint and already-submitted evidence on file. If you have any questions concerning this matter, you may consult the Department's campaign finance complaint guidebook or contact the Regulatory Section of the Bureau of Elections at BOERegulatory@Michigan.gov.

Sincerely,

Regulatory Section
Bureau of Elections
Michigan Department of State