From:	SOS, Disclosure	
То:	MDOS-BOERegulatory	
Subject:	FW: Campaign Finance Complaint - Watts v Sage	
Date:	Wednesday, November 2, 2022 3:25:52 PM	
Attachments:	Sage Gmail - 4" x 4" VOTE DIXON SIGNS IN ON 10-20-22.pdf Sage2 Gmail - DIXON 4X4 YARD SIGNS.pdf NACSAC look up.pdf Complaint Watts v Sage 11022022.pdf	

Sincerely,

Filings, Disclosure & Compliance Division Bureau of Elections

From: Jason A. Watts <jaw.watts@gmail.com>
Sent: Wednesday, November 2, 2022 3:11 PM
To: SOS, Disclosure <Disclosure@michigan.gov>
Subject: Campaign Finance Complaint - Watts v Sage

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

Please see complaint and supporting evidence attached. Thank you. Regards, Jason A. Watts

--

Jason A. Watts PO Box 216 Allegan, MI 49010-0216 269.998.3991 Tweet: **@jawwatts** jaw.watts@gmail.com

NOTICE: This e-mail message and any attachments are confidential and intended solely for use of the intended recipient. If you are not the intended recipient, you should not review, retransmit, convert to hard copy, copy, use or disseminate this e-mail or any attachments to it. If you have received this e-mail nerror, please immediately notify us by return e-mail and delete this message and any attachments from your computer system. Please note that if this e-mail message contains a forwarded message or is a reply to a prior message, some or all of the contents of this message or any attachments may not have been produced by the sender. This notice is automatically appended to each e-mail message leaving the sender's e-mail domain. Thank you.

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

2 November 2022

Complainant	Alleged Violator
Mr. Jason A. Watts	Mr. Bill Sage
PO Box 216	d/b/a Keeping America Great or
Allegan, MI 49010-0216	National Association of Constitutional States & Counties
269.998.3991	(NACSAC)
jaw.watts@gmail.com	1176 Dutch Acres
	Allegan, MI 49010
	or
	696 Airway Dr
	Allegan, MI 49010
Section of MCFA alleged to be violated:	MCL 169.203(4), 169.244, 169.247

Now appears Mr. Jason A. Watts, Complainant, PO Box 216, Allegan, MI 49010, making his complaint against Bill Sage and the committees entitled "Keeping America Great" and/or "National Association of Constitutional States & Counties" (acronym of NACSAC), 1176 Dutch Acres, Allegan, MI 49010. Mr. Sage also lists a storage unit as his address of 696 Airway Dr., Allegan, MI 49010. In this complaint, Mr. Watts states:

- 1. That Mr. Sage is the owner of the website for NACSAC (<u>www.nacsac.org</u>) and resides at 1176 Dutch Acres in Allegan Michigan.
- That NACSAC is not a registered committee with the Michigan Bureau of Elections nor the Allegan County Clerk¹ (in violation of MCL 169.203(4) & 169.244).
- 3. That Mr. Sage funneled monies through said "committee" in order to purchase at least twenty-one 4'x4' signs supporting Tudor Dixon, Republican nominee for Governor and signs against the three statewide ballot propositions.
- 4. That there was initially an improper and incomplete disclaimer on said signs² a disclaimer that cites NACSAC as the purchaser of said signs.³ Upon inquiry and before printing of said signs, a more complete (though somewhat incomplete) disclaimer was printed on the signs indicating that Mr. Sage himself purchased these signs.⁴

⁴ See attached IMG_0254

¹ See attached in regards to the Allegan County Clerk.

² See attached – Disclaimer reads "PAID FOR BY THE NATIONAL ASSOCIATION OF CONSTITUTIONAL STATES & COUNTIES NACSAC.ORG ALLEGAN GOP"

³ It also lists "ALLEGAN GOP" in the disclaimer, but I contacted the chairman of the Allegan County GOP, and he assured me that no party funds were used in the purchase of these signs. Mr. Sage states that ALLEGAN GOP was removed from the signs before printing.

- 5. That Mr. Sage did not solely purchase these signs. He requested and received \$60.00 per sign from multiple individuals.⁵ Twenty-one signs multiplied by \$60.00 (21x\$60.00) equals \$1,260.00, well above the \$500.00 threshold enumerated in MCL 169.203(4).
- 6. When Mr. Sage listed himself as the sole entity purchasing these signs, he was intentionally avoiding having to comply with the MCFA. Given that the purchase was above \$500.00, Mr. Sage was required to form a committee ten days after he collected monies and/or purchased these signs. The date of purchase appears to be October 13, 2022. If that is the case, a committee should have been formed by today.

Mr. Watts believes that Mr. Sage by not registering a committee, collecting monies for signs, and not having a proper disclaimer on said signs is knowingly trying to circumvent the MCFA, specifically **MCL 169.203(4)**, **169.244** and that a fine up to \$1,000 be assessed. For Mr. Sage's violation of **MCL 169.247** 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.

son A. Watts, Complainant

2/22

⁵ See attached email captures.







Jason Watts <jaw.watts@gmail.com>

4' x 4' VOTE DIXON SIGNS IN ON 10-20-22

1 message

Bill Sage - NACSAC.org <kagasage+yahoo.com@ccsend.com> Reply-To: billsage10@yahoo.com To: jaw.watts@gmail.com Tue, Oct 18, 2022 at 12:48 PM

Attention all Patriots/Precinct Delegates,

The 4' x 4' VOTE DIXON and the 4' x 4' NO PROP 1, 2, AND 3 signs will be in on Thursday 10-20-2022.

The 4' x 4' foot corrugated signs are one of the most effective signs out there. They are extremely important and effective to help promote the Dixon/Hernadez campaign, in order to help balance out the lack of funding that the Dixon/Hernadez campaign did not get from the MRP and Devos!

Please help to do your part to sponsor and place the signage in high-traffic flow areas, the timing is perfect, strategy-wise! Fresh, New, Clean, and to the Point!

The signs will be available on the 20th of October at:

2408 30th Street (M37) Allegan, MI 49010

It's the white farmhouse on the hill, in the white pole barn with a green door. We also need signs/fence stakes and men to help place the signs.

Special Shout out to: Heather Kholer for supply location. Bob Knaack sponsoring 3 Dixon, and 1 No Prop Signs. Andrew Geurink sponsoring 10 Dixon, and 6 No Prop Signs. Marla Weeber for Sponsoring a sign to go on M40 in Hamilton Mi, if anyone has a location.

Thank You All,

and God bless America, Michigan & Allegan County!



PLAIN EVIL PROP

70,000 BUSINESSES CLOSED WHITMER DID THAT

8000+COVID-19 NURSING HOME DEATHS WHITMER DID THAT VOTE DIXON

NACSAC.org | Allegan, Allegan, MI 49010 2698062775

Unsubscribe jaw.watts@gmail.com Update Profile | Constant Contact Data Notice Sent by kagasage@yahoo.com in collaboration with



Try email marketing for free today!



Jason Watts <jaw.watts@gmail.com>

DIXON 4X4 YARD SIGNS

19 messages

Bill Sage - Allegan GOP <kagasage+yahoo.com@ccsend.com> Reply-To: kagasage@yahoo.com To: jaw.watts@gmail.com Mon, Oct 10, 2022 at 11:26 PM

URGENT... 4'x4' yard signs, please order ASAP.

Order now 4' x 4' yard signs, I need \$60 to cover expenses. You'll need 2 fence stakes and zip ties. We need exposure, to help make nullify those negative ads, the other side of the sign reads, 4,400 COVID-19 DEATHS. Whitmer Did That. Order with Melanie Kurdys or Patricia Petersen Allegan GOP.



Keeping America Great | 1176 Dutch Acres, Allegan, MI 49010

Unsubscribe jaw.watts@gmail.com Update Profile | Constant Contact Data Notice Sent by kagasage@yahoo.com in collaboration with



Try email marketing for free today!

Jason A. Watts <jaw.watts@gmail.com> To: kagasage@yahoo.com

Tue, Oct 11, 2022 at 12:05 AM

Bill—

The Allegan GOP is paying for these signs? You're an official of the Allegan GOP? I missed that in the minutes. [Quoted text hidden]

Jason A. Watts PO Box 216 Allegan, MI 49010-0216 269.998.3991 Tweet: @jawwatts jaw.watts@gmail.com

NOT ICE: This e-mail message and any attachments are confidential and intended solely for use of the intended recipient. If you are not the intended recipient, you should not review, retransmit, convert to hard copy, copy, use or disseminate this e-mail or any attachments to it. If you have received this e-mail in error, please immediately notify us by return e-mail and delete this message and any attachments from your computer system. Please note that if this e-mail message contains a forwarded message or is a reply to a prior message, some or all of the contents of this message or any attachments may not have been produced by the sender. This notice is automatically appended to each e-mail message leaving the sender's e-mail domain. Thank you.

Bill Sage <kagasage@yahoo.com> To: "Jason A. Watts" <jaw.watts@gmail.com> Tue, Oct 11, 2022 at 6:24 AM

Tue, Oct 11, 2022 at 10:36 AM

Jason, I can always count on you on missing the point!

Talk to Melanie or Pat. Those are not printed yet!

[Quoted text hidden]

Jason A. Watts <jaw.watts@gmail.com> To: Bill Sage <kagasage@yahoo.com>

Please enlighten me. You seem to have Allegan GOP printed on them for some queer reason. [Quoted text hidden]

Thu, Oct 13, 2022 at 11:53 AM Bill Sage <kagasage@yahoo.com> To: "Jason A. Watts" <jaw.watts@gmail.com>, Patricia Petersen <pp56701@gmail.com>, Melanie Kurdys <melaniekurdys@gmail.com>

Jason, All that interest in the signs. How many are you going to sponsor, how about 2 of them, or more if you can!

What ya say buddy.:)

Sent from Yahoo Mail for iPhone [Quoted text hidden]

Jason A. Watts <jaw.watts@gmail.com> To: Bill Sage <kagasage@yahoo.com>

Thu, Oct 13, 2022 at 11:56 AM

Bill:

First answer my questions— are party funds going towards the production of these signs? [Quoted text hidden]

Jason A. Watts <jaw.watts@gmail.com> To: Bill Sage <kagasage@yahoo.com>

Cc: Melanie Kurdys <melaniekurdys@gmail.com>, Patricia Petersen <pp56701@gmail.com>

Bill:

Besides my question on party funds, which you fail to answer, why would I pay for/display a sign that promotes Whitmer? The image of her appears to be larger than Vote Dixon.

These are horribly designed signs Bill. If the party is not paying for them, why have it in your disclaimer? [Quoted text hidden]

Melanie Kurdys <melaniekurdys@gmail.com> To: "Jason A. Watts" <jaw.watts@gmail.com> Cc: Bill Sage <kagasage@yahoo.com>, Patricia Petersen <pp56701@gmail.com>

I think Bill changed the disclaimer. It is more productive to recommend changes, which would have been appreciated earlier in the week, than just calling them horrible. Some folks ordered these signs.

Sent from my iPhone

On Oct 13, 2022, at 12:16 PM, Jason A. Watts <jaw.watts@gmail.com> wrote:

[Quoted text hidden]

Jason A. Watts <jaw.watts@gmail.com> To: Melanie Kurdys <melaniekurdys@gmail.com> Cc: Bill Sage <kagasage@yahoo.com>, Patricia Petersen <pp56701@gmail.com>

Question still stands Melanie, are party funds being used to pay for these signs? [Quoted text hidden]

Bill Sage <kagasage@yahoo.com>

To: "Jason A. Watts" <jaw.watts@gmail.com>, Melanie Kurdys <melaniekurdys@gmail.com> Cc: Patricia Petersen <pp56701@gmail.com>

Yo goof... you were looking at a draw up, not the finished product! I'm paying for it, and the disclaimer is already there. You just don't get do you?

Sent from Yahoo Mail for iPhone

[Quoted text hidden]

 Bill Sage <kagasage@yahoo.com>
 Ti

 To: "Jason A. Watts" <jaw.watts@gmail.com>, Melanie Kurdys <melaniekurdys@gmail.com>
 Ti

 Cc: Patricia Petersen <pp56701@gmail.com>
 Ci

Jason, all you ever do is look for problems, you don't lift a finger to help Re-New the Republic, like many of us are trying to do.

Thu, Oct 13, 2022 at 1:51 PM

Thu, Oct 13, 2022 at 12:16 PM

Thu, Oct 13, 2022 at 3:48 PM

Thu, Oct 13, 2022 at 2:01 PM

Thu, Oct 13, 2022 at 3:55 PM

What are you doing, why are you always trying to cause problems. Everyone else for the most part, likes them, and you aren't even a real conservative, actually you act more like a dem!

I'll compare my list of successes to yours any day of the year, because yours is zero!

Sent from Yahoo Mail for iPhone

[Quoted text hidden]

Bill Sage <kagasage@yahoo.com> To: Melanie Kurdys <melaniekurdys@gmail.com>, "Jason A. Watts" <jaw.watts@gmail.com> Cc: Patricia Petersen <pp56701@gmail.com>

They sure did, of course most of us care about the issue at hand, rather than trying to degrade fellow so called Patriots of which you are not one, Jason!

Sent from Yahoo Mail for iPhone

[Quoted text hidden]

Bill Sage <kagasage@yahoo.com> To: Melanie Kurdys <melaniekurdys@gmail.com>, "Jason A. Watts" <jaw.watts@gmail.com> Cc: Patricia Petersen <pp56701@gmail.com>

Pathetic!

Sent from Yahoo Mail for iPhone

[Quoted text hidden]

Jason A. Watts <jaw.watts@gmail.com> To: Bill Sage <kagasage@yahoo.com>

Still avoiding the question Bill. [Quoted text hidden]

Thu, Oct 13, 2022 at 4:26 PM

Thu, Oct 13, 2022 at 4:30 PM

Thu, Oct 13, 2022 at 4:17 PM

Thu, Oct 13, 2022 at 3:57 PM

Bill Sage <kagasage@yahoo.com> To: Melanie Kurdys <melaniekurdys@gmail.com>, "Jason A. Watts" <jaw.watts@gmail.com> Cc: Patricia Petersen <pp56701@gmail.com>

Jason, as to your private message that you just sent me. I already answered your question! From now on, you need to stay clear of me. No Communication with me, x-communicado. If you have a question, ask someone else.

Good Luck

[Quoted text hidden]

Jason A. Watts <jaw.watts@gmail.com>

To: Jason Apol <jason.apol@gmail.com>

Cc: Melanie Kurdys <MelanieKurdys@gmail.com>, Patricia Petersen <pp56701@gmail.com>

I'll ask our treasurer, Jason, are party funds paying for these signs? Is Bill Sage an authorized party officer? Is he allowed to send out official party emails?

[Quoted text hidden]

Melanie Kurdys <melaniekurdys@gmail.com> To: Bill Sage <kagasage@yahoo.com> Cc: "Jason A. Watts" <jaw.watts@gmail.com>, Patricia Petersen <pp56701@gmail.com> Thu, Oct 13, 2022 at 4:34 PM

Jason, no, party funds are not being used. And the distribution being used is public info. Do you want us to delete you from the email list? I have encouraged folks to reply to all as I asked and no one insisted their email be kept private. We are trying to work together. There is no permission thing going on here. All these folks are volunteers working on their own time and their own dime. Sure would like to have you on our side. Melanie

[Quoted text hidden]

Melanie Kurdys

"I will fight cheerfully and do my utmost as if the whole issue of the struggle depended on me alone" Martin Treptow An American Soldier

Jason A. Watts <jaw.watts@gmail.com> To: Melanie Kurdys <MelanieKurdys@gmail.com> Cc: Patricia Petersen <pp56701@gmail.com> Thu, Oct 13, 2022 at 4:50 PM

I'm on your side Melanie, I just had an inquiry due to the queerness of the "Bill Sage - Allegan GOP" mass email. When I inquired, Bill was evasive and accusatory. Based on his evasiveness, I've inquired with Jason Apol. All I was doing was asking simple questions. Thanks. -Jason [Quoted text hidden]

Bill Sage <kagasage@yahoo.com> To: "Jason A. Watts" <jaw.watts@gmail.com> Thu, Oct 13, 2022 at 5:01 PM

Test

[Quoted text hidden]



Jason Watts <jaw.watts@gmail.com>

Request for CFR & Committee look up

Jennifer Tien <JTien@allegancounty.org> To: "Jason A. Watts" <jaw.watts@gmail.com>

Wed, Nov 2, 2022 at 8:12 AM

I've got a meeting first thing this morning, once I'm done I'll send you over Beltman's information.

Nothing for National Association of Constitutional States & Counties

Jenn Tien

Allegan County Clerks Office - Elections Coordinator

113 Chestnut St.

Allegan, MI 49010

(269) 673-0290

(269) 686-5374 Fax

From: Jason A. Watts [mailto:jaw.watts@gmail.com] Sent: Wednesday, November 2, 2022 12:24 AM To: Jennifer Tien <JTien@ALLEGANCOUNTY.ORG> Subject: Request for CFR & Committee look up

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

[Quoted text hidden]





PAID FOR BY THE NATIONAL ASSOCIATION OF CONSTITUTIONAL STATES & COUNTIES INACSAC.org

ALLEGAN GOP



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

November 21, 2022

Bill Sage National Association of Constitutional States and Counties 1176 Dutch Acres Allegan, MI 49010

696 Airway Dr. Allegan, MI 49010

Re: *Watts v. Sage* Campaign Finance Complaint No. 2022 – 11 – 194 – 203, 244, 247

Dear Mr. Sage and National Association of Constitutional States and Counties:

The Department of State (Department) has received a formal complaint filed against you by Jason Watts alleging that you violated the Michigan Campaign Finance Act (MCFA or Act). Specifically, the complaint alleges that National Association of Constitutional States and Counties (NACSAC) failed to register with the Bureau of Elections or Allegan County. The complaint further alleges that the parties failed to report expenditures on signs, either as independent expenditures or expenditures on behalf of a committee. A copy of the complaint is included with this notice.

By statutory definition, a committee is formed when "a person receives contributions or makes expenditures for the purpose of influencing or attempting to influence the action of the voters for or against [candidate, ballot question, etc.] if contributions received total \$500.00 or more in a calendar year or expenditures made total \$500.00 or more in a calendar year." MCL 169.203(4).

Section 51 of the Michigan Campaign Finance Act (MCFA) requires the disclosure of certain "independent expenditures" made by unregistered individuals, groups and organizations. MCL 169.251. An individual, group or organization that spends more than \$100.00 in a calendar year on independent expenditures to support or oppose the nomination or election of a state level candidate or advocate the qualification, passage or defeat of a state level ballot question is required to file with the Michigan Department of State's Bureau of Elections. The filing is required to be made within 10 calendar days of meeting the \$100.00 threshold.

The complaint also alleges a violation of section 44 of the MCFA, presumably because you stated that individuals conveyed funds to you which you contributed to the signs. Section 44

Bill Sage, NACSAC Page 2

provides that "[a] person shall not make a contribution to another person with the agreement or arrangement that the person receiving the contribution will then transfer that contribution to a particular candidate committee." MCL 169.244(1). However, because section 44 pertains to candidate committees, that part of the complaint is dismissed.

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. It is important to understand that the Department is neither making this complaint nor accepting the allegations as true. 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.

A copy of your answer will be provided to Mr. Watts, 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

c: Jason Watts



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

December 28, 2022

SECOND NOTICE

Bill Sage National Association of Constitutional States and Counties 1176 Dutch Acres Allegan, MI 49010

Bill Sage 696 Airway Dr. Allegan, MI 49010

Re: *Watts v. Sage* Campaign Finance Complaint No. 2022 – 11 – 194 – 203, 244, 247

Dear Mr. Sage and National Association of Constitutional States and Counties:

The Department of State (Department) has received a formal complaint filed against you by Jason Watts alleging that you violated the Michigan Campaign Finance Act (MCFA or Act). Specifically, the complaint alleges that National Association of Constitutional States and Counties (NACSAC) failed to register with the Bureau of Elections or Allegan County. The complaint further alleges that the parties failed to report expenditures on signs, either as independent expenditures or expenditures on behalf of a committee. A copy of the complaint is included with this notice.

The Department sent you notice of this complaint in a letter dated November 30, 2022. That letter informed you that you had 15 business days from that date to provide a response to the complaint. As a courtesy, the Department is extending you an opportunity to submit a response within 15 business days of the date of this second notice. If you do not submit a response within 15 business days of the date of this notice, the Department will have no choice but to adjudicate the complaint based on the facts and allegations included in the complaint alone.

By statutory definition, a committee is formed when "a person receives contributions or makes expenditures for the purpose of influencing or attempting to influence the action of the voters for or against [candidate, ballot question, etc.] if contributions received total \$500.00 or more in a calendar year or expenditures made total \$500.00 or more in a calendar year." MCL 169.203(4).

Bill Sage and National Association of Constitutional States and Counties Page 2

Section 51 of the Michigan Campaign Finance Act (MCFA) requires the disclosure of certain "independent expenditures" made by unregistered individuals, groups and organizations. MCL 169.251. An individual, group or organization that spends more than \$100.00 in a calendar year on independent expenditures to support or oppose the nomination or election of a state level candidate or advocate the qualification, passage or defeat of a state level ballot question is required to file with the Michigan Department of State's Bureau of Elections. The filing is required to be made within 10 calendar days of meeting the \$100.00 threshold.

The complaint also alleges a violation of section 44 of the MCFA, presumably because you stated that individuals conveyed funds to you which you contributed to the signs. Section 44 provides that "[a] person shall not make a contribution to another person with the agreement or arrangement that the person receiving the contribution will then transfer that contribution to a particular candidate committee." MCL 169.244(1). However, because section 44 pertains to candidate committees, that part of the complaint is dismissed.

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. It is important to understand that the Department is neither making this complaint nor accepting the allegations as true. 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 available on the Department's website.

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.

A copy of your answer will be provided to Mr. Watts, 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



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

February 27, 2023

Bill Sage National Association of Constitutional States and Counties 1176 Dutch Acres Allegan, MI 49010

Bill Sage 696 Airway Dr. Allegan, MI 49010

Re: *Watts v. Sage* Campaign Finance Complaint No. 2022-11-194-203, 244, 247

Dear Mr. Sage and National Association of Constitutional States and Counties:

The Department of State (Department) has finished investigating the campaign finance complaint filed against you by Jason Watts alleging that you violated the Michigan Campaign Finance Act (MCFA or Act). This letter concerns the disposition of that complaint.

The complaint alleges National Association of Constitutional States and Counties (NACSAC) failed to register with the Bureau of Elections or Allegan County. The complaint further alleges that you failed to report expenditures on signs, either as independent expenditures or expenditures on behalf of a committee.

You were sent a notice of the complaint on November 30, 2022. A second notice was sent to you via certified mail on December 29, 2022. To date, no response has been received. In the absence of a response to the allegations, the Department proceeds to the determination stage with only the evidence provided by the complainant.

By statutory definition, a committee is formed when "a person receives contributions or makes expenditures for the purpose of influencing or attempting to influence the action of the voters for or against [candidate, ballot question, etc.] if contributions received total \$500.00 or more in a calendar year or expenditures made total \$500.00 or more in a calendar year." MCL 169.203(4).

Section 51 of the Michigan Campaign Finance Act (MCFA) requires the disclosure of certain "independent expenditures" made by unregistered individuals, groups and organizations. MCL 169.251. An individual, group or organization that spends more than \$100.00 in a calendar year

Bill Sage and National Association of Constitutional States and Counties Page 2

on independent expenditures to support or oppose the nomination or election of a state level candidate or advocate the qualification, passage or defeat of a state level ballot question is required to file with the Michigan Department of State's Bureau of Elections. The filing is required to be made within 10 calendar days of meeting the \$100.00 threshold. *Id*.

As stated in the notice, the complaint also alleges a violation of section 44 of the MCFA, presumably because you stated that individuals conveyed funds to you which you contributed to the signs. Section 44 provides that "[a] person shall not make a contribution to another person with the agreement or arrangement that the person receiving the contribution will then transfer that contribution to a particular candidate committee." MCL 169.244(1). However, because section 44 pertains to candidate committees, that part of the complaint was dismissed.

The Department has reviewed the evidence submitted in this matter and finds that sufficient evidence has been presented to support a finding of a potential violation of the MCFA.

The complaint includes several emails you sent to what is referred to in the emails as an "email list," asking people to "please order ASAP. Order now 4' x 4' yard signs, I need \$60 to cover expenses." Additionally, it includes an email in which you name and thank individuals for sponsoring 21 signs, including 13 Dixon signs, 7 "No Prop" signs (presumably anti-Proposals 1-3, based on the pictures included in the email), and one sign whose content is not disclosed.

The MCFA provides that a committee forms when a person receives more than \$500 in contributions or spends more than \$500 in expenditures in a calendar year, for the purpose of influencing voters in voting for or against a candidate or ballot question. MCL 169.203(4). Formation of the committee requires the filing of a Statement of Organization and filing of campaign finance reports. MCL 169.224, 169.233(1)-(3). The 21 signs for which you received contributions and made contributions cost \$1,260, according to your emails. since the emails specifically solicited money from other sources to "cover expenses" in producing the signs, you were obligated to form and register a committee with the Bureau of Elections. Yet, you have not filed a Statement of Organization or required campaign finance reports in violation of the Act.

This letter serves to notify you and your clients that the Department has determined there may be reason to believe that you have violated the Act and to notify you and your clients that the Department is beginning the informal resolution process. "If, after 90 business days, the secretary of state is unable to correct or prevent further violation by these informal methods, the secretary of state shall do either of the following:

(a) Refer the matter to the attorney general for the enforcement of any criminal penalty provided by this act.

(b) Commence a hearing as provided in subsection (11) for enforcement of any civil violation."

MCL 169.215(11).

Bill Sage and National Association of Constitutional States and Counties Page 3

In order to resolve this complaint, the Department requests that you form and register with the Bureau of Elections and disclose all contributions and expenditures, as well as complete any other required filings. Upon submission, the Department will review and determine whether any further enforcement action is necessary. This should be completed no later than July 7, 2023 or else the Department will have no alternative but to refer to the Department of Attorney General.

Sincerely,

Jenny McInerney, Regulatory Attorney Bureau of Elections Michigan Department of State

c: Jason Watts

From:	Jason A. Watts
То:	MDOS-BOERegulatory
Subject:	Watts v Sage Complaint
Date:	Tuesday, March 7, 2023 8:00:33 AM

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

Ms. McInerney--

Thank you for your updated notice to Mr. Sage regarding my complaint. A few weeks ago, I was contacted by Mr. Sage asking that I dismiss/retract my complaint. I declined, mostly because I do not believe he would learn anything from this obvious violation of campaign finance law. Laws were broken, and I firmly believe that Mr. Sage should be held to account. He tries to portray our relationship as a feud. Honestly, a feud would mean that I thought often (or much) of Mr. Sage. I do not. I thought he had relegated himself to relative obscurity. Only when he presented this endeavor as an "official" action of the Allegan County GOP that I tried to intervene. By making simple inquiries of Mr. Sage, I was treated with derision and hostility.

During our conversation, Mr Sage indicated that he did not collect all the monies from those that "sponsored" the signs. He did indicate that he collected some monies from some of the "sponsors". I could not ascertain how much in total he did collect, nor would he reveal what an individual "sponsor" meant as it related to this endeavor. It sounded like monies were indeed pooled to purchase these signs. I do not believe that Mr. Sage has any intent to respond to this complaint.

Please accept this email as additional testimony to my complaint. Thank you for your time in continuing this complaint.

Sincerely,

Jason A. Watts

--

Jason A. Watts PO Box 216 Allegan, MI 49010-0216 269.998.3991 Tweet: **@jawwatts** jaw.watts@gmail.com

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From:	Jason A. Watts
То:	MDOS-BOERegulatory
Subject:	Re: Watts v Sage Complaint
Date:	Monday, July 3, 2023 6:30:16 PM

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Ms. McInerney--

I forgot to add that if Mr. Sage claims that all this was done using his own money, then that would be a violation of MCL 169.251. No report was made of independent expenditure.

Please accept this email as additional testimony to my complaint. Thank you for your time in continuing this complaint and I hope it will be resolved soon.

Sincerely,

Jason A. Watts

On Mon, Jul 3, 2023 at 6:05 PM Jason A. Watts <<u>jaw.watts@gmail.com</u>> wrote: Ms. McInerney--

Today I ran into Mr. Sage at my local post office. He started off insulting me, calling me a "squirrel". I responded, asking how his answer to my complaint was coming along. He retorted that I was "disgusting", and a "disgrace". I tried to be gracious and hold the door for him, because he was carrying heavy boxes, which he refused. The postal clerk looked quite bewildered and put back, especially by Mr. Sage's actions.

I am thoroughly assured that Mr. Sage has no intention of responding to my complaint by the July deadline. He has admitted to me and others that he collected money ("Sponsorships") for the signs and materials in question.

I do believe that Mr. Sage should be held to account for his obvious violations. No individual is above the law, and Mr. Sage should be no exception.

Please accept this email as additional testimony to my complaint. Thank you for your time in continuing this complaint and I hope it will be resolved soon.

Sincerely,

Jason A. Watts

On Tue, Mar 7, 2023 at 8:00 AM Jason A. Watts <<u>jaw.watts@gmail.com</u>> wrote: | Ms. McInerney--

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Jason A. Watts PO Box 216 Allegan, MI 49010-0216 269.998.3991

Tweet: @jawwatts

jaw.watts@gmail.com

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STATE OF MICHIGAN JOCELYN BENSON, SECRETARY OF STATE DEPARTMENT OF STATE LANSING July 10, 2023

The Honorable Dana Nessel Department of Attorney General G. Mennen Williams Building 525 West Ottawa Street Lansing, MI 48933

Re: *Watts v. Sage* Michigan Campaign Finance Complaint

Dear Attorney General Nessel:

Please allow this letter to serve as a referral to the Attorney General of the above referenced campaign finance matter for the enforcement of any criminal penalties under the Michigan Campaign Finance Act. MCL 169.215(10)(a).

If you or your staff would like any additional information regarding this case, please contact this office.

Sincerely

s/ Michael J. Brady

Michael J. Brady, Chief Legal Director Michigan Secretary of State

cc: Heather Meingast, Division Chief, CLEE Division



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

July 12, 2023

Jason A. Watts PO Box 216 Allegan, MI 49010

Re: *Watts v. Sage* Campaign Finance Complaint No. 2022-11-194-203, 244, 247

Dear Mr. Watts:

The Department of State (Department) has concluded its investigation into the complaint you submitted, and it was unable to reach a resolution in the matter. Pursuant to section 15 of the Michigan Campaign Finance Act (Act), the Department has referred the matter to the Department of Attorney General with a request that her office investigate further.

At this time, the Department will take no further action and has posted the entire file on the Department's website. If you have any questions, please do not hesitate to contact the Bureau of Elections.

Sincerely,

Jenny McInerney, Regulatory Attorney Regulatory Section Bureau of Elections Michigan Department of State

c: Bill Sage