

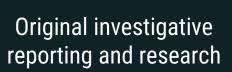
March 13th, 2024

Executive Director, Nick Pigeon

WHO ARE WE?

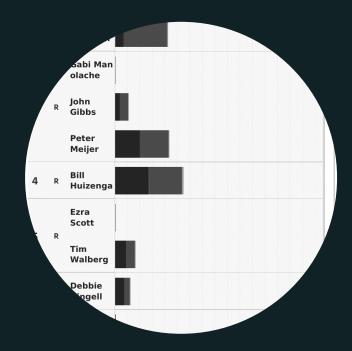
The Michigan Campaign Finance Network is a nonpartisan organization that started in 1996 with the altruistic goal of increasing public awareness of the impact that money has on politics. From the beginning, MCFN has been committed to making valuable fact-based information accessible to the public, voters, and policymakers so that Michigan can thrive for the people, by the people.







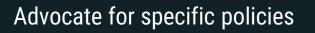
Outreach via presentations, trainings



Serve as a resource for policymakers, journalists and the public









Anything particularly partisan



Accept anonymous donations over \$250

WHAT WE DON'T DO

AGENDA

- 1. Campaign finance committees from the most to the least transparent
- 2. How 501(c)(4) nonprofits keep money secret and anonymize donors to ballot question committees and independent expenditure committees
- 3. What other states have done

CAMPAIGN FINANCE: COMMON FUNDRAISING VEHICLES

<u>Entity</u>	<u>Who</u> oversees	<u>Who can</u> <u>donate</u>	<u>Contribution</u> <u>limits</u>	<u>Disclosure</u>	<u>Notes</u>
Campaign	MDOS/County	People, other MI PACs	Varies by office and county pop.	Filings to MDOS/County Clerk	Can only give token amounts to other candidates. PACs can give 10 times the amount an individual person is able to.
Independent and Political Committees (aka Leadership PACs)	MDOS/County	People, other MI PACs	None	Filings to MDOS/County Clerk	Ability to "stack" multiple leadership PACs essentially nullifies donation limits.
Independent Expenditure Committees (aka Super PACs)	MDOS	Anyone domestic entity	None	Filings to MDOS.	Can't directly coordinate with campaigns, but under 2017 law, candidates can fundraise for one that may later "independently" help them. Can be a dark money intermediary.
Section 527 Accounts	IRS	Anyone domestic entity	None. (But can't give to most MI PACs w/o registering)	Giving and spending	It's a broad catch-all for tax-exempt political entities under the tax code. (e.g. all FEC-disclosing PACs are 527s, but not all 527s are FEC- registered.) State PACs don't need to file. Can also be a dark money intermediary.
501(c)(4) Nonprofits	IRS	Anyone domestic entity	None.	Barely, via form 990 to the IRS.	The dark money vehicle of choice. Uses (generally): 1) Paying "administrative" expenses, e.g., travel, meals, etc. 2) Anonymizing contributions to MI PACs that accept corporate funds (often ballot committees). 3) Directly running issue ads in elections.

MCFN /P

NONPROFITS OBSCURE DONORS, BALLOT COMMITTEES

Individual Donors

Give unlimited funds

Domestic LLC's and 501(c)(4) organizations Corporations Online Filing System **Department of Licensing and Regulatory Affairs** Form Revision Date 07/2016 ARTICLES OF INCORPORATION For use by DOMESTIC NONPROFIT CORPORATION Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Articles: ARTICLE I The name of the corporation is ARTICLE II The purpose or purposes for which the corporation is formed are: 1. The Corporation is organized as a nonprofit corporation described under Section 501(c)(4) of the Internal Revenue Code (the "Code") and operated exclusively for the promotion of social welfare to benefit the common good and general welfare of the community, and more specifically to: (a) conduct educational research and analyses and inform the public on public policies and issues of concern to and affecting the quality of life and jobs and livelihood for Michigan residents and providing an understanding of how current policy initiatives will affect their wellbeing, including the importance of investing in state and local roads and other infrastructure: (b) support and participate in educational forums, conferences, events and other meetings relating to these public policy issues; (c) support and build coalitions with citizens, businesses, governmental officials and agencies and religious and other organizations sharing the goal of promoting solutions to these public policy issues and support public education campaigns to promote public awareness of these issues and solutions and to solicit citizen participation and support: (d) promote the common good, economic growth and general welfare of the people of Michiga (e) to increase civic engagement and voter turnout; and (f) conduct all activities incidental or necessary to accomplishing the foregoing and related purposes or otherwise permitted by Section 501 (c)(4) of the Code. The Corporation will at all times be conducted as an organization described in Section 501(c)(4) of the Code. The Corporation will not carry on any activities which are not permitted to be carried on by (a) a corporation exempt from federal income tax under Section 501(c) (4) of the Code, or (b) a nonprofit corporation organized under the laws of the State of Michigan pursuant to the Act. No part of the assets or net earnings of the Corporation may inure to the benefit of or be distributable to its directors, officers or other private persons; provided, however, that the Corporation is authorized and empowered to pay reasonable compensation for services rendered to the Corporation and to make payments and distributions in furtherance of its purposes ARTICLE III The Corporation is formed upon Non Stock ✓ basis If formed on a stock basis, the total number of shares the corporation has authority to issue is If formed on a nonstock basis, the description and value of its real property assets are (if none, insert "none") None The description and value of its personal property assets are (if none, insert "none"): None The corporation is to be financed under the following general plan: Gifts, grants, contributions of funds and property from individuals, corporations and other organizations, and the income generated therefrom, and receipts from any activity that is not an unrelated trade or business. The Corporation is formed on a ✓ basis.

ARTICLE IV

Nonprofits obscure donors, ballot committees

Domestic LLC's and/or 501(c)(4) organizations

Corporations Department of Licensing and Regulatory Affairs Corm Revision Date 07/2016 Corm Revision Date 07/2016	Entity type: DOMESTIC NO	NPROFIT CORPORATION		
Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Articles: ARTICLE I	Date of Incorporation in Mic	higan: 03/30/2023		
The name of the corporation is:	Purpose: Other			
ARTICLE II The purpose or purposes for which the corporation is formed are: 1. The Corporation is organized as a nonprofit corporation described under Section 501(c)(4) of the Internal Revenue Code (the "Code") and operated exclusively for the promotion of social welfare to benefit the common good and general welfare of the community, and more specifically to:	Term: Perpetual			
 (a) conduct educational research and analyses and inform the public on public policies and issues of concern to and affecting the quality of life and jobs and livelihood for Michigan residents and providing an understanding of how current policy initiatives will affect their wellbeing, including the importance of investing in state and local roads and other infrastructure; (b) support and participate in educational forums, conferences, events and other meetings relating to these public policy issues; (c) support and build coalitions with citizens, businesses, governmental officials and agencies and religious and other organizations sharing the goal of promoting solutions to these public policy issues and support; (d) promote the common good, economic growth and general welfare of the people of Michigan; (e) to increase civic engagement and voter turnout; and (f) conduct all activities incidental or necessary to accomplishing the foregoing and related purposes or otherwise permitted by Section 501 (c)(4) of the Code. 	Most Recent Annual Report: The name and address of the Resident Agent Name: Street Address:		t Recent Annual Report	t with Officers & Directors:
 The Corporation will at all times be conducted as an organization described in Section 501(c)(4) of the Code. The Corporation will not carry on any activities which are not permitted to be carried on by (a) a corporation exempt from federal income tax under Section 501(c) (4) of the Code, or (b) a nonprofit corporation organized under the laws of the State of Michigan pursuant to the Act. No part of the assets or net earnings of the Corporation may inure to the benefit of or be distributable to its directors, officers or other private persons; provided, however, that the Corporation is authorized and empowered to pay reasonable compensation for services rendered to the Corporation and to make payments and distributions in furtherance of its purposes. 	Apt/Suite/Other: City:	corporation	St.te: MI	Zip Code: 48170
ARTICLE III	Registered Office Mailing a	ddress:		
The Corporation is formed upon Non Stock Siss. If formed on a stock basis, the total number of shares the corporation has authority to issue is	P.O. Box or Street Address: Apt/Suite/Other:			
If formed on a nonstock basis, the description and value of its real property assets are (if none, insert "none"): None The description and value of its personal property assets are (if none, insert "none"): None	City:		State:	Zip Code:
The corporation is to be financed under the following general plan: Gifts, grants, contributions of funds and property from individuals, corporations and other organizations, and the income generated therefrom, and receipts from any activity that is not an unrelated trade or business. The Corporation is formed on a Directorship Dasis.				

Domestic LLC's and 501(c)(4) organizations

	Corporations Online Filing Syst		PS	N.		
Name: :	Busin	ess Entity	(-
Order certified copies	<u>Name of filing</u>	Year filed	Date filed	<u>Filing No.</u>	View PDF	
	CERTIFICATE OF ASSUMED NAME		05/05/2023			
	ARTICLES OF INCORPORATION		03/30/2023			

What we know from these:

- 1.) Name and other "doing business as" names
- 2.) Registered agent (can be a firm)
- 3.) Name of person who incorporated the organization

What we don't know:

- 1.) Any financial information
- 2.) Board members (Not yet)
- 3.) Name of person who incorporated the organization

After the year has ended the organization has to file an IRS 990 form

What do we learn?

12-1

1.) Board members and salary

X Check this box if neither the organ	nization nor any re	lated orga	aniza F	tion	(C)		nsate	da	ny current officer,	director, or trustee.	
(A) Name and title			than	both	do ni box, an o sctor/	ot chi unias (ficer (trusta		on	(D) Reportable compensation from	(E) Reportable compensation from	(F) Estimated amount of other
		per week (list any hours for retated organiza- tions below dotted iine)	or director	3	Officer	Key employee	Highest compensated employee	Former	The organization (W-2/1099-MISC)	relatéd organizations (W-2/1099-MISC)	compensation from the organization and related organizations
(1)			x		х				0.	0.	0.
(2)		<u>1</u>	x		x				0.	0.	0.
(3)		0	x		х				0.	0.	0.
(4)	No. No	1			x				0.	0.	0.
(5)								1			

After the year has ended the organization has to file an IRS 990 form

What do we learn?

2.) Companies they paid (only if they were paid \$100,000+ in the last year) and other nonprofits they made grants to

Sec	tion B. Independent Contractors Complete this table for your five highest compensated independent contractor	ore that	received more than \$100,000 of	
	compensation from the organization. Report compensation for the calendary	year en	ding with or within the organizatio	n's tax year.
	(A) Name and business address		(B) Description of services	(C) Compensation
			Fundraising/Consulting	151,568.
2	Total number of independent contractors (including but not limited to those I	isted at	pove) who received more than	and the second second
•	\$100,000 of compensation from the organization 🕨 1			Contraction of the second
BAA	TEEA0108_ 10/07/20			Form 990 (2020)

After the year has ended the organization has to file an IRS 990 form

What do we learn?

3.) Unitemized statements of revenue

	Check if Schedule O contains a	a respor	nse or note to any	line in this Part VII	1		[
				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from t under sections 512-514
1a b c d e f g h	Federated campaigns	1a		THE REAL PROPERTY OF THE PARTY		Treasure in the	
Ь	Membership dues	16		NOV STAN		Provide Carlos	1.0 2.0 2.0
c	Fundraising events	1 c					1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1
d	Related organizations	1 d			Carris Ser	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	Y IN SHORE
e	Government grants (contributions)	1e			Marthe States		2.50 1000
	All other contributions, gifts, grants, and similar amounts not included above	1 f	753,482.				
	Noneash contributions included in lines 1a-11	1 g		S. Strain and		A A A	
h	Total. Add lines 1a-1f			753,482.	SITT END PH	West Sector	1



After the year has ended the organization has to file an IRS 990 form

What do we learn?

4.) Unitemized statements of expenses

	1 990 (2020)				Page
	t IX Statement of Functional Expen		All albas aronniantions a	numl complete column ((A)
Sec	tion 501(c)(3) and 501(c)(4) organizations must Check if Schedule O contains a re	complete all columns.	Line in this Part IX	nust complete column (A).
			(B)	(C)	(D)
	not Include amounts reported on lines 7b, 8b, 9b, and 10b of Part-Vill.	(A) Total expenses	Program service expenses	Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.	120,726.	120,726.		
2	Grants and other assistance to domestic individuals. See Part IV, line 22				2010
3	Grants and other assistance to foreign organizations, foreign governments, and for- eign individuals. See Part IV, lines 15 and 16.				an an an sta
4	Benefits paid to or for members			M. G. S. M. S. A. S.	
5	Compensation of current officers, directors, trustees, and key employees.	0.	0.	0.	
6	Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(8)	0.	0.	0.	
7	Other salaries and wages				
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9	Other employee benefits				
10	Payroli taxes				
	Fees for services (nonemployees):				
	Management.				
	Legal	10,793.		10,793.	
	Accounting	20,1001		, , , , , , , , , , , , , , , , , ,	
	Lobbying				
	Professional fundraising services. See Part IV, line 17	151,568.		1	151,56
	investment management fees.	101/000.	CONCEPTION CONCERNMENT OF A DESCRIPTION OF		202700
	Other. (If fine 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule 0.)				
12	Advertising and promotion				
13	Office expenses	28,121.		28,121.	
14	information technology	168.		168.	
15	Royalties				
16	Occupancy.	8,700.		8,700.	
17	Travel	288,815.	286,541.		2,27
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	142,266.	140,674.		1,59
19	Conferences, conventions, and meetings	20,083.	13,189.		6,89
20	Interest	20,003.	15,109.		0,05
21	Payments to affiliates				
22					
22	Insurance.			Area	
23 24	Other expenses, itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e anount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.).				
а	Food & Dining	23,256.	23,256.		
	Miscellaneous	7,991.		7,991.	
	Flowers	95.	95.		
c	Bank Service Charges and Fees	67.		67.	
	Total functional expenses. Add lines 1 &rough 24c	802,649.	584,481.	55,840.	162,32

Nonprofits obscure donors, ballot committees

After the year has ended the organization has to file an IRS 990 form

What do we learn?

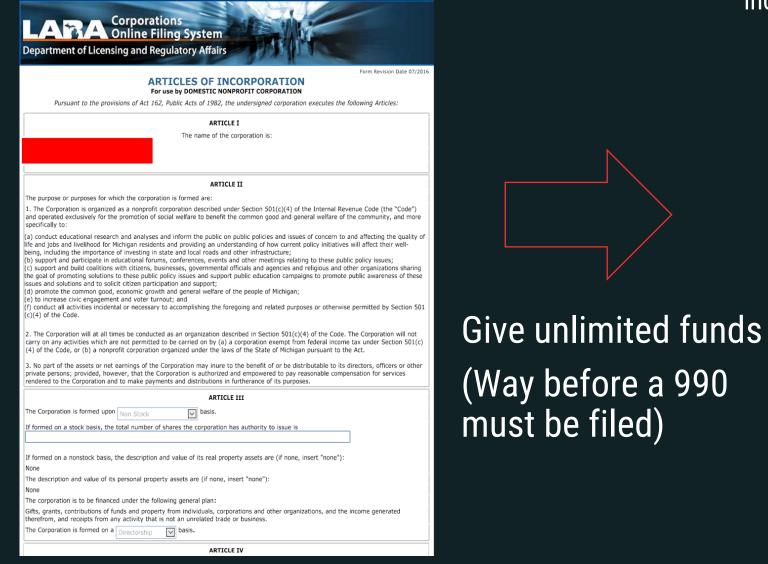
5.) Donor information (only if they choose to)

Schedule	B (Form 990, 990-EZ, or 990-PF) (2020)		4 7 Page 2
		Employe	r identification number
Part	Contributors (see instructions). Use duplicate copies of Part I if additional sp	ace is needed.	
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
<u>19</u> _	N/A	\$ 50,000.	Person X Payroll
			(Complete Part II for noncash contributions.)
	4.		

MCFN $\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!^{\mathcal{P}}$

Nonprofits obscure donors, ballot committees

Domestic LLC's and/or 501(c)(4) organizations



Ballot question committees and other independent expenditure committees

COVER	HOL		Edda on Frankrike and a
Report must be legible, typed or p treasurer or designated record ke	innled in ink and signed by the	3 This Statement covers From 05/1	FOR OFFICIAL USE ONLY
1. Committee I D. Number		4. Committee's Mailing Address	
2. Committee Name		_	
a southing name		irea Code and Phone the address in this box is different to the Statement of Organization mail in official	iom the committee mailing address on ay be sent to this address by the filing
Area Code and Phone		If the committee has a Designated Record	ia Merperi
	A	area Code and Phone	
B. TYPE OF STATEMENT Ba. PRE-ELECTION OR	APRIL STATEMENT	3d Post Petton Sample Filing under MCL 168 483a (Required of Statewide Ballot Question Committees only after	ar DISSOLUTION OF COMMITTEE REQUEST Effective Date of Dissolution
Pre-Election or Post-Election Ratement relates to		the submission of a sample petition prior to circulating the petition	By checking this item. I certify that the committee has no assets or outstanding debts including late hing fees. Note: The disposition of method is note:
PRIMARY GENERAL SCHOOL SPECIAL OTHER	8c ANNUAL STATEMENT	Se AMENDATENT TO CAMPAGINS STATEMENT (Complete Ran 8, 86 3c 8d or 8f to indicate which Statement is bring amended:	resolutil kinds must be reported on Schedule 4B and the Summary Page
Date of Election			
committee that does not have a R chedules. Direct contributions. In- any of the information listed in item mendment to the Statement of Org r before the filling deadline of a n	eporting Waiver must file all require ind contributions, loans, expenditu is 4, 5, 6 or 7 has changed since it anization should accompany this C equired campaign statement, that	d Campaign Statements. The Campaign Statements. The Campaign Statements and outstanding debts count agoinst the enformation was shown on the committee managing Statement. If a request for a Rep campaign statement can not be waived	tatements must include all applicable \$1.000 Reporting Waiver threshold is 5 Statement of Organization, an orting Waiver is not received on

Nonprofits obscure donors, ballot committees

ULI BUREA ITEMI S BALLOT	EPARTMENT OF STATE U OF ELECTIONS RED CONTRIBUTIONS CHEDULE 4A QUESTION COMMITTE	E i tana	elles ([): Pa Stev Mane		
	same and address. If contributi	on is from an individual	enter del natio de Conste	> 20 ¹⁰ KAME	7 Consultations for East time Cycle for East Unicolated (Through
3 Contribution # 1 Name & Address	1 Date of	Receipt 07-06-23			state of tecopy)
501(c)	(4)			3 100.000.00	s_100,000.00
5. If over \$100.00 cumula				Chick Hone for Mo	no llamaason
Occupation	Employs				
Business Address					
Type of Contribution Contribution # 2	Direct Lo	an from a person	Dent Pario		
usiness Address	Employee Invet Diversion 1 Date of F) Hereit Angeler von Ste	Turi Paret	S Click Here for Mem S Click Here for Memo	s
ype of Contribution 🗌 D	texet	lonn a prevan	I red Base	lan teople sidera († 1	
Contribution = 4 anne & Address If over \$100.00 cumulativ cupation	n, please provide: Empleyse		Frid Dar 10	5 CN 1. Here: In: Metao	
		1992) 	Pag Selected	\$100.000.00	
<u>. 3 4</u>		finan Pirangan	n i ola of et 's hedda - ia on ted page 25 hedda i		

Spends it on election related activity

ITEMIZED DIRECT EXPENDITURES					
SCHEDULE 4B	• •				
BALLOT QUESTION COMMITTEE	Lone				
3 Name and address of person to when paid	 State purpose of 5. Identify the tector indentify structure on 	the set of a second second	5 D.0-	/ Antward	8 Cumulate los electron
Expenditure e i Nume & Address.	1 Popez	the stellars a		1	
	Education &	Field Service	s		
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			6 spenditure		
Check box it expendence is payment of delit or of impation			Click fo	Memo tiemzation	rype
information provides statement	Superi	V. 44.00			
Find Baser Expenditure x 2	Globeaghe	E inpart		<u>tern am aintean</u> ach	
Name & Address	1 Perpose	2.26			
	Legal Service	25			
	5 Bates Proposed		07/14/23	3.833.00	, 3.833.0
			Date of	2	5
			spenditure		
Cherk hos a expenditore is payment of debt or oblighteen			Cick lor	Memo Itemization T	
reparted on previous statement	Sugar	 Oblase 			No.
Fund Rates	St.#-ewk-	e Ireal			
Nome & Address	1 Purpuso				
	Strategic Con	sulting			
	5 Balul Propertial		07/19/23	, 8,387.00	8.387.0
			Date of	• 100 Contraction (1997	
			Expenditure		
Check loss if expenditure is physicent of there or obtraction	_		Citck for	Memo Itemization Ty	rpe
eported on previous statement	Sequent	Gubore			
Find Rase	Strewale	100			
Name & Address	4 Purpose				
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			Bate of		
			Expendature		
Check box it expenditure is payment or delir or obligation	Craticity		Click for I	M-mo ilemization Ty	pe
reported on previous statement	Sepp.it	$\Box_{c}(p_{ij}) \mapsto c$			
Front Rorger	tit.strauck-	Place.			
			tat flar, page q	1-0.070.07	
				32.278.00	
	(Co	Grand Total of 5 matrix on key pages	of Schedulet S	32,278.00	
				nfra thes total	
4 _{ol} 4	(Cir	urfraue de part broba	ا ۱	ntre this total in the flat of the Sommary	

Arizona '22 Proposition 211

- Requires the disclosure of any contributor who pays \$5,000 or more in an election cycle for any "independent campaign spending."
 - "Independent campaign spending" includes express and non-express advocacy, as well as research, polling, mailing, and social media list acquisition by independent committees.
 - Under this law, independent committees must track the original sources of all contributors over \$5,000 and must ask these donors if they want their money spent on independent campaign spending (even if the funds are transferred from another entity) If not, they cannot use their money for this purpose.
 - This stops the anonymization of donors to independent expenditure committees, the main contributor of dark money.

Arizona '22 Proposition 211

- A Citizens Clean Elections Commission was established to enforce the law, including the additional requirement that any independent campaign public communication must display the names of the top 3 donors in the advertisement or make it available.
- The Commission can investigate complaints and issue fines for 100%-300% of the undisclosed or improperly disclosed contributions.



Alaska '20 Ballot Measure 2²

Similar to Arizona's Prop 211, requires any individual, entity, or person that donates \$2,000 in aggregate in a calendar year to an entity that has made an independent expenditure in the previous or current election cycle must fill out a disclosure form and submit it to the Alaska Public Offices Commission within twenty-four hours.

			Independent Expenditures Form 15-6					
			Completed					
Submission	Date: 02/06/2024							
FILER INF	ORMATION							
Filer First N Filer Middle Filer Last N								
REPORT IN	NFORMATION							
Report Year Election Yea Report Type Filer Type: I	ar: 2024 :: Ten Day							
INDIVIDUAL INFORMATION								
City: Eagle State: Alask 99577 Country: Ur Occupation: Employer: F	^{10:} Littlefield S54 Mills Bay Drive River a a nited States Retired Retired							
ELECTION	INFORMATION							
Election: Ar	nchorage Municipal Ele	ction						
EXPENDIT	URES							
Date	Recipient	Payment Type	Candidate / Proposition	Amount				
	The Ritacco Group LLC 2521 E. Mountain Village Drive, Suite B #543 Wasilla, Alaska	Check Check Number: 0001	SUPPORT: 2024 - Mark H. Littlefield Election: Anchorage Municipal Election Website Design and Launch; Facebook Design and launch	\$1,500.00				

Maine '23 Question 2³ and '24 Maine Limit Contributions to Super PACs Initiative⁴

- In '23, voters approved an initiative that barred foreign governments and entities with 5% foreign government ownership to influence the nomination of a candidate (already illegal) or in support or opposition to a ballot measure.
- In '24 voters will decide whether to create a contribution limit of \$5,000 to independent expenditure committees.

³ QUESTION 2: An Act to Prohibit Campaign Spending by Foreign Governments and Promote an Anticorruption Amendment to the United States Constitution

⁴ Maine Limit Contributions to Super PACs Initiative (2024)

STAY IN CONTACT



- Contact
 - Address:
 - 602 W Ionia St., STE 108
 - Lansing, MI 48933
 - Email
 - <u>nick@mcfn.org</u>
 - <u>tips@mcfn.org</u>
 - Phone
 - (517) 482-7198

 Sign up for our mailing list: <u>https://mcfn.us2.list-manage.com/subscribe/post?u=7cb53c49625c1bb0c</u> <u>d4bd61ca&id=0953a1a782&f_id=005e52e0f0</u>