



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

March 5, 2025

David Mitrani
Counsel to Climate Cabinet PAC
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Mark Brewer
Counsel to House Democratic Candidate Committees
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Re: *Mitch v. Climate Cabinet PAC et al*
Campaign Finance Complaint No. 24-255

Dear Mr. Mitrani & Mr. Brewer:

The Department of State (Department) has finished investigating the campaign finance complaint filed against your clients by Ms. Mitch alleging violations of the Michigan Campaign Finance Act (MCFA or Act). This letter concerns the disposition of that complaint.

The complaint alleged that Climate Cabinet PAC failed to qualify as an Independent Committee as defined in Section 8 of MCFA and was subject to the standard contribution limits under Section 52. Additionally, the complaint alleges that Climate Cabinet PAC falsified reports to meet the contribution requirements necessary to obtain Independent Committee status under Section 33 and transferred corporate donations from their federal PAC in violation of Section 54.

Additionally, Ms. Mitch alleged that by receiving contributions from Climate Cabinet PAC, the candidate committees violated MCFA by accepting an excessive contribution under Section 52 and accepted a corporate contribution in violation of Section 54.

Mr. Mitrani responded on behalf of Climate Cabinet PAC. In the response, Mitrani claimed that Climate Cabinet PAC qualified as an Independent PAC on May 19, 2024. While Climate Cabinet PAC made excess contributions before May 19, 2024, those were rectified, and the candidates refunded the contributions. Additionally, Mitrani contended that Climate Cabinet PAC solely

used funds from individuals to contribute to candidate committees and that all expenditures were properly reported.

Mr. Brewer responded on behalf of the House Democratic Candidate Committees. In this response, Mr. Brewer incorporated by reference Mr. Mitrani's response and asserted that there was no MCFA violation. Additionally, Mr. Brewer contended that even if Climate Cabinet PAC's arguments fail a candidate's mere acceptance of a contribution is not a violation of MCFA.

Mr. Doster provided a rebuttal statement. In that statement, Mr. Doster reiterated the contention that Climate Cabinet PAC – Michigan accepted contributions from Climate Cabinet PAC Non-Contribution Account or Super PAC. He stated that the account had comingled funds that included corporate funds that were used to make direct expenditures to Michigan candidates. These contributions from a federal PAC to a state PAC are required to follow the Last In, First Out (LIFO) accounting method under the Declaratory Ruling to Mr. LaBrant (1983).

Additionally, Mr. Doster contends that Climate Cabinet PAC has failed to meet the requirements of an Independent Committee because contributions to CTE Chris Herweyer, CTE Janise O'Neil Robinson, and CTE Jenn Hill State Representative exceeded the standard contribution limits and were not returned within the 30 business days under Section 4, and even accepting Climate Cabinet PACs argument, they were still subject to the standard contribution limit for the primary election.

Lastly, Mr. Doster contends that Climate Cabinet PAC failed to report administrative expenses and other expenditures in violation of Section 26.

Section 52 of MCFA establishes contribution limits for candidates and public officials in Michigan. Candidates for public office have individual contribution limits that are set by statute based on the position being sought. MCL 169.252(1)(c) ([adjusted for inflation](#)). A committee is limited to the standard contribution limits until it reaches independent status allowing it to contribute 10 times the standard contribution limit. MCL 169.252(2). To qualify as an independent committee the committee must:

- File a statement of organization as an independent committee at least 6 months before an election for which it expects to accept contributions or make expenditures;
- Receive contributions from at least 25 people; and,
- Make expenditures to three or more different candidates under the standard contribution limits in Section 52.

Climate Cabinet PAC filed their original statement of organization on April 4. While a signed statement of organization was not received by the department until the end of May, for purposes of calculating the 6-month period for Independent Committee status the Department uses the original filing of April 4. The statement of organization was filed to achieve independent status for the November 7, 2024 general election, but not for the August 6, 2024 primary election. Any contributions before August 6, 2024 would have been required to be at the standard level.

Climate Cabinet PAC accepted their 25th contribution on May 19, 2024, from William Henning.

While Climate Cabinet made three expenditures in support of candidates on May 2, 2024, those contributions exceeded the standard contribution amount, and the excess contributions were not returned within the 30 business days required to make them a contribution that counts towards Independent Committee status. MCL 169.204(3)(c). Therefore, the third contribution to a candidate at the standard limit was not made until August 13, 2024. The three contributions to candidates at the standard limit were:

- An in-kind contribution to Mai Xiong on July 30, 2024;
- An in-kind contribution to Marshall Kilgore on July 31, 2024; and,
- An in-kind contribution to Jenn Hill on August 13, 2024.

For purposes of determining independent committee status, Climate Cabinet PAC needed to meet all three of these requirements to be eligible to make contributions at the higher limit. Climate Cabinet did not satisfy all three of these requirements until August 13, 2024. Therefore, all contributions to candidates before that date are required to be at the standard contribution limit.

Additionally, the complaint alleged that Climate Cabinet PAC’s Federal Committee accepted corporate contributions. Mr. Mitrani did not deny this, but suggested that only individual contributions were used in support of Michigan candidates in compliance with Michigan law. Your response included a detailed accounting of how the funds were attributed to each individual committee. The accounting method used for these funds does not appear to be Last in First Out (LIFO) as required by the [Declaratory Ruling issued to Robert LaBrant \(1983\)](#).

In your response, you offered a different “reasonable accounting method”. Regardless of the accounting method used, Climate Cabinet PAC was making expenditures to Michigan candidates without sufficient contributions from individuals to cover those expenditures. This began on August 1, 2024, with a contribution to Shada Martin for State Representative, and continued through October 7, 2024 with a contribution to The Committee to Elect Jacob Toomey. Climate Cabinet PAC did not have enough individual donors to cover the contributions being made to Michigan candidates, and therefore, in order for those checks to clear, they must have been drawn from the corporate funds that Climate Cabinet PAC does not deny having in their federal PAC.

ADELL	ZDAN	OMAHA	8/4/2024	50.00	SHADIA MARTINI FOR STATE REPRESENTAT	8/1/2024	6,000.00	50.00	1,140.50	CONTRIBUTION
CHRISINDA	LYNCH	BROOKLYN	8/4/2024	10.00	SHADIA MARTINI FOR STATE REPRESENTAT	8/1/2024	6,000.00	10.00	1,130.50	CONTRIBUTION
THOMAS	PRESTON-WERNER	ROSS	8/7/2024	10,000.00	SHADIA MARTINI FOR STATE REPRESENTAT	8/1/2024	6,000.00	1,130.50	0.00	CONTRIBUTION
					COMMITTEE TO ELECT DANIEL MAHONEY	8/1/2024	6,000.00	6,000.00	0.00	CONTRIBUTION
					COMMITTEE TO ELECT JANISE O'NEIL ROB	8/1/2024	6,000.00	2,869.50	3,130.50	CONTRIBUTION
LUISA	GANTT	MOUNT VERNON	10/15/2024	50.00	THE COMMITTEE TO ELECT JACOB TOOMEY	10/7/2024	1,500.00	50.00	1,089.50	CONTRIBUTION
JENNIFER	KNIPSTEIN	CHICAGO	10/15/2024	50.00	THE COMMITTEE TO ELECT JACOB TOOMEY	10/7/2024	1,500.00	50.00	1,039.50	CONTRIBUTION
SAMARA	WATKISS	AUSTIN	10/16/2024	200.00	THE COMMITTEE TO ELECT JACOB TOOMEY	10/7/2024	1,500.00	83.50	956.00	CONTRIBUTION

Lastly, The MCFA requires that committees file contributions and expenditures with the appropriate filing official by specific dates. MCL 169.233(1) – (3). The Act requires a committee that receives or expends more than \$1,000 during any election to file campaign finance reports in compliance with the act. MCL 16.233(6). A person who knowingly omits or underreports

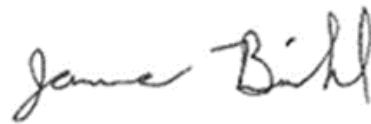
expenditures required to be disclosed by the Act is subject to a civil fine of not more than \$1,000 or the amount of the expenditures omitted or underreported, whichever is greater. MCL 169.233(11). Historically, the department has not required “affiliate PAC’s” to report administrative expenditures that belong to the federal PAC as well. Affiliate PAC’s have been responsible for reporting only direct expenditures to Michigan candidates. Therefore, there was not a failure by the Michigan affiliate PAC for Climate Cabinet PAC to report expenditures.

Based on the above, the Department concludes that the evidence is sufficient to determine that there may be reason to believe that Climate Cabinet PAC violated the Act by making excessive contributions to Michigan candidates and comingling corporate funds in an account making contributions to Michigan candidates. Upon making this determination, the Act requires the Department to “endeavor to correct the violation or prevent a further violation by using informal methods [.]” and if the Department is unable to correct or prevent additional violations, it must ask the Attorney General to prosecute if a crime has been committed. MCL 169.215(10)(a). The objective of an informal resolution is “to correct the violation or prevent a further violation [.]” *Id.*

Please be advised that if the Department is unable to resolve this informally, it is required by MCL 169.215(10)-(11) to refer to the Department of Attorney General with a request that her office prosecute for the criminal penalties and/or conduct an administrative hearing to enforce the civil penalties. If the Department conducts an administrative hearing, MCL 169.215(11) authorizes the Secretary of State to seek a civil fine of triple the amount outlined plus up to \$1,000.00 for each violation of the Act.

Climate Cabinet PAC and the candidates that received contributions from them should contact the undersigned at BOERegulatory@Michigan.gov by July 15, 2025 to discuss a resolution to matter.

Sincerely,

A handwritten signature in cursive script that reads "James Biehl".

James Biehl, Regulatory Attorney
Regulatory Division
Bureau of Elections
Michigan Department of State

c: Eric Doster