

DePerno Believes Leonard Violated Campaign Finance Law 7 Times

Attorney General candidate Matt **DePERNO** believes Republican convention opponent Tom **LEONARD** used the fundraising committees of his former House colleagues to move \$52,000 from his PAC to his campaign committee in violation of state law.

On seven separate occasions last fall, Tom Leonard's former House Leadership PAC donated somewhere between \$10,000 and \$1,000 to the campaign committee of a former legislative colleague. That colleague, in turn, used their respective independent PAC to give that same exact amount of money to Leonard's AG campaign.

"The whole point of that transaction or that structure is to circumvent the maximum campaign donation required under the limits," DePerno said on this week's edition of the **MIRS Monday podcast**.

DePerno said he believes this is a violation of Michigan Compiled Law 169.271, which reads that a "contribution shall not be made by a person to another person with the agreement or arrangement that the person receiving the contribution will then transfer that contribution to a particular candidate committee."

The maximum an Attorney General campaign can receive from an individual or a political PAC is \$7,150. However, an independent PAC -- which are those connected to most legislators or political leaders -- can give up to \$71,500.

This allowed Tom Leonard's PAC, the Michigan Values Leadership Fund, to give \$10,000 to Rep. **Roger HAUCK (R-Union Twp.)**'s candidate committee on Oct. 2. The Hauck Majority Fund gave \$10,000 to Leonard's AG campaign on Oct. 20.

Also on Oct. 20, Leonard's PAC gave \$10,000 to House Appropriations Committee Chair **Thomas ALBERT (R-Lowell)**'s campaign committee. On the same day, Albert's Majority Fund PAC gave Leonard's AG campaign the same amount.

Similar transactions took place involving funds collected to Sen. **Tom BARRETT (R-Charlotte)**, Sen. **Dan LAUWERS (R-Brockway)** and Rep. **Joseph BELLINO (R-Monroe)**.

DePerno brought up this perceived violation during the Alpena County Republican Party debate, but Leonard didn't engage on the topic.

When asked about it recently, however, Leonard responded with:

"We are building a strong team, earning new endorsements, and growing our support every day to defeat Dana Nessel in November. Matt DePerno can't say that so he's left slinging mud. I'm proud to say a lot of people believe in what we're doing and what I will do as our next Attorney General."

Two attorneys with campaign finance experience told *MIRS* in separate interviews that the arrangement described here is unique. Instead of an A-to-B-to-C pattern, this is an A-to-B and C-to-D pattern, which "looks funny and may violate the spirit of the law, but probably not the letter," according to one attorney.

Attorney Peter **RUDELL** from Honigman concluded the scenario described is not barred by the Michigan Campaign Finance Act or Secretary of State rules. He added that a future public policy questions to consider would be whether candidate committees and PACs should be considered affiliated committees, similar the way multiple committees organized by corporations and labor unions are treated.

While not an attorney, Simon **SCHUSTER** with the Michigan Campaign Finance Network (MCFN) said the key would be for the complainant to show causation, proof that dollar \$X was given to Person X with specific instruction to move it in the matter it did. That said, he stressed that it's difficult to know what the Bureau of Elections would do with an untested complaint.

DePerno has not filed a campaign finance complaint on the matter, however it's possible one might be filed, by DePerno or an political ally.

Also, in today's DePerno's interview with *MIRS Monday*, the Portage attorney was asked about his \$25,000 suggested maximum donation for his Attorney General campaign during his Mar-a-Lago fundraiser with former President Donald **TRUMP** last week.

DePerno acknowledged that the maximum individual contribution for his campaign committee is \$7,150 per person, but a second check could have been written to a political action committee to get a person up to \$25,000 in total donations.

"We're not saying people had to pay \$25,000 themselves, but they had the option to give donations to meet that \$25,000 threshold," he said.

Shoot First, Ask Questions Later?

Republican Attorney General candidate Matt **DePERNO** said his office would do an investigation on "day one" of Gov. **Gretchen WHITMER**, Attorney General **Dana NESSEL** and Secretary of State **Jocelyn BENSON**, but had specific charges in mind for all three.

DePerno made it clear during today's *MIRS Monday* podcast that he felt the Whitmer administration's decision to bring COVID-positive patients back into nursing homes for "political reasons" constituted "misconduct in office."

"That's simply misfeasance, malfeasance or nonfeasance in office. You're an elected representative, you're doing something within your duties in office and you do something that taints the system or taints the office," he said.

He said he believes Benson violated the Administrative Claims Act by sending no-reason absentee ballot applications to every Michigan voter, telling clerks to ignore voter verification requirements and taking Mark **ZUCKERBERG** money to run elections.

For Nessel, she used her power like a "sledgehammer," when she allegedly said any public official who investigates the 2020 election could be charged with criminal activity.

"That's misconduct," he said. "You cannot use your power in office to simply attack your political opponents."

When asked if he was doing the same thing by pledging to charge all three statewide officials, DePerno responded, "No. I'd be going after corruption, people who violate the Constitution and their oath of office and refuse to follow the rule of law.

In a tweet earlier this cycle, DePerno photo-shopped Nessel's face into an orange jumpsuit behind bars with the line "Lock Her Up."

"Donate \$5, \$10, \$25 or \$50 NOW to LOCK HER UP!" his fundraising pitch read.

During the Alpena County debate, DePerno said of Whitmer, "I will prosecute her. I will investigate her." At the time, that caught the ear of fellow AG candidate Tom **LEONARD** who challenged the appropriateness of promising charges prior to an investigation first. At that time, he suggested that DePerno did "not respect our system of justice." (See "**Chatfield Plays Big Role In First AG Debate**," 2/18/22).

After listening to today's *MIRS Monday*, Leonard said DePerno at least acknowledge an investigation would need to precede charges, which he considered improvement.

"Three weeks after Ryan **BERMAN** and I had to take Matt DePerno to school after how our criminal justice system works, I'm glad to see that he finally got around to googling 'due process,'" Leonard said.