

BEFORE THE FEDERAL ELECTION COMMISSION

CAMPAIGN LEGAL CENTER
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MARGARET CHRIST
1101 14th St NW, Suite 400
Washington, DC 20005
(202) 736-2200

v. MUR No. **7833**

MONTCALM LLC
45 Ottawa Ave SW, Suite 1100
Grand Rapids, MI 49503

JOHN DOE, JANE DOE, and other
persons who created and operated
Montcalm LLC and made
contributions to Congressional
Leadership Fund in the name of
Montcalm LLC

COMPLAINT

1. This complaint is filed pursuant to 52 U.S.C. § 30109(a)(1) and is based on information and belief that Montcalm LLC and any person(s) who created, operated, and made contributions to or in the name of Montcalm LLC (John Doe, Jane Doe, and other persons) have violated the Federal Election Campaign Act (“FECA”), 52 U.S.C. § 30101, *et seq.*
2. Specifically, based on published reports, complainants have reason to believe that person(s) who created, operated, and/or contributed to Montcalm LLC violated 52 U.S.C. § 30122 by making contributions to Congressional Leadership Fund (I.D.: C00504530) in the name of another person, namely Montcalm LLC, and that

Montcalm LLC violated 52 U.S.C. § 30122 by knowingly permitting its name to be used for the making of such contribution.

3. Further, based on published reports, complainants have reason to believe that Montcalm LLC, and any person(s) who created and/or operated Montcalm LLC, may have violated 52 U.S.C. §§ 30102, 30103, and 30104 by failing to register Montcalm LLC as a political committee and failing to file disclosure reports as a political committee.
4. “If the Commission, upon receiving a complaint . . . has reason to believe that a person has committed, or is about to commit, a violation of [the FECA] . . . [t]he Commission *shall make an investigation* of such alleged violation” 52 U.S.C. § 30109(a)(2) (emphasis added); *see also* 11 C.F.R. § 111.4(a).

FACTS

5. On September 28, 2020, Montcalm LLC organized in Michigan as a domestic limited liability company, with Mark E. Rivix as the registered agent and organizer, at the address 45 Ottawa Avenue SW, Suite 1100, Grand Rapids, MI 49503.¹
6. Less than two weeks later, on October 8, 2020, Montcalm LLC gave \$150,000 to Congressional Leadership Fund, from the address 80 Ottawa Ave, Suite 101, Grand Rapids, MI 49503.²

¹ See Montcalm LLC, Articles of Organization for Domestic Limited Liability Company, MICHIGAN DEP’T OF LICENSING AND REGULATORY AFFAIRS (Sept. 28, 2020) (attached as Exhibit A). This address is associated with Rivix’s firm, *see Contact*, MILLER JOHNSON, <https://millerjohnson.com/contact/> (last visited Oct. 23, 2020), and with the Meijer Family Office, LLC, *see Meijer Family Office, LLC*, MICHIGAN DEP’T OF LICENSING AND REGULATORY AFFAIRS (Feb. 9, 2012), https://cofs.lara.state.mi.us/CorpWeb/CorpSearch/CorpSummary.aspx?ID=801629080&SEARCH_TYPE=3&CanReturn=True.

² See Congressional Leadership Fund, 2020 Pre-General Report, FEC Form 3X at 192 (filed Oct. 22, 2020), <https://docquery.fec.gov/pdf/227/202010229336412227/202010229336412227.pdf>. The 80 Ottawa Ave., Suite 101 address that appeared on Congressional Leadership Fund’s report is 0.3 miles from the 45 Ottawa Ave. address that appeared on Montcalm LLC’s articles of organization. *See Directions* from

7. The following day, October 9, 2020, Congressional Leadership Fund began making independent expenditures in Michigan's 3rd Congressional district opposing candidate Hillary Scholten, who is running against Peter Meijer.³
8. Aside from the Michigan registration records, there is no publicly available information about Montcalm, LLC; the entity that organized on September 28, 2020 is the only corporate entity by that name with a Michigan address, and the only entity by that name registered in Michigan. Montcalm LLC does not appear to have a discernible public footprint:
 - a. Montcalm LLC does not appear to have a website.
 - b. Montcalm LLC does not appear to have a Facebook, Instagram, or Twitter page.
 - c. There is no record of Montcalm LLC in searches with the Better Business Bureau,⁴ Bloomberg's company profile search,⁵ EDGAR,⁶ the U.S. Patent &

80 Ottawa Ave. NW to 45 Ottawa Ave. SW, Grand Rapids MI, GOOGLE MAPS, <https://bit.ly/2IYfq8e> (last visited Oct. 23, 2020). The 80 Ottawa Ave, Suite 101 address is associated with the Meijer Foundation, *see, e.g.*, The Meijer Foundation, 2018 Return of Organization Exempt from Income Tax, IRS Form 990 at 1 (filed Nov. 12, 2019),

https://projects.propublica.org/nonprofits/display_990/386575227/12_2019_prefixes_38-42%2F386575227_201812_990PF_2019121216952055, and Commission records show that a Douglas Meijer listed this address in contributions to the DCCC and the DSCC in the 2020 election cycle, DSCC, 2020 April Quarterly, FEC Form 3X at 584 (filed Apr. 20, 2020), <https://docquery.fec.gov/pdf/508/202004209220088508/202004209220088508.pdf>; DCCC, 2020 April Quarterly, FEC Form 3X at 5298 (filed Apr. 20, 2020), <https://docquery.fec.gov/pdf/352/202004209224127352/202004209224127352.pdf>.

³ Congressional Leadership Fund, Independent Expenditures in MI-03 (24- and 48-hour reports), 2019-20, FEC.GOV, https://www.fec.gov/data/independent-expenditures/?data_type=processed&committee_id=C00504530&is_notice=true&most_recent=true&candidate_office=H&candidate_office_state=MI&candidate_office_district=03 (last visited Oct. 22, 2020).

⁴ *See* Better Business Bureau, Search Businesses and Charities, <https://www.bbb.org/search> (last visited Oct. 23, 2020).

⁵ Bloomberg, Company Search, <https://www.bloomberg.com> (last visited Oct. 23, 2020).

⁶ U.S. Securities and Exchange Commission, EDGAR – Search & Access, <https://www.sec.gov/edgar/searchedgar/webusers.htm> (last visited Oct. 23, 2020).

Trademark Office’s Trademark Electronic Search System,⁷ Michigan’s Professional Licensing Database,⁸ or the Grand Rapids Chamber of Commerce.⁹

PROHIBITION ON CONTRIBUTIONS IN THE NAME OF ANOTHER

9. FECA provides that “[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution and no person shall knowingly accept a contribution made by one person in the name of another person.” 52 U.S.C. § 30122.
10. The Commission regulation implementing the statutory prohibition on “contributions in the name of another” provides the following examples of “contributions in the name of another”:
 - a. “Giving money or anything of value, all or part of which was provided to the contributor by another person (the true contributor) without disclosing the source of money or the thing of value to the recipient candidate or committee at the time the contribution is made.” 11 C.F.R. § 110.4(b)(2)(i).
 - b. “Making a contribution of money or anything of value and attributing as the source of the money or thing of value another person when in fact the contributor is the source.” 11 C.F.R. § 110.4(b)(2)(ii).
11. The requirement that a contribution be made in the name of its true source promotes Congress’s objective of ensuring the complete and accurate disclosure by candidates

⁷ U.S. Patent & Trademark Office, Search Trademark Database, <https://www.uspto.gov/trademarks-application-process/search-trademark-database> (last visited Oct. 23, 2020).

⁸ Michigan Department of Licensing and Regulatory Affairs, Licensing and Registration Search, <https://www.lara.michigan.gov/colaLicVerify/IName.jsp> (last visited Oct. 23, 2020).

⁹ Grand Rapids Chamber of Commerce Michigan, Business Search, <https://web.grandrapids.org/advancedsearch> (last visited Oct. 23, 2020).

and committees of the political contributions they receive,¹⁰ and ensures that the public and complainant Christ have the information necessary to evaluate candidates for office and cast an informed vote.

12. On April 1, 2016, then-Chairman Petersen and Commissioners Hunter and Goodman “provide[d] clear public guidance on the appropriate standard that we will apply in future matters” pertaining to allegations that an LLC was used to facilitate a contribution in the name of another. Statement of Reasons of Chairman Matthew S. Petersen and Commissioners Caroline C. Hunter and Lee E. Goodman at 2, MURs 6485, 6487, 6488, 6711, 6930 (April 1, 2016).¹¹ The Commissioners advised that “the proper focus in these matters is whether the funds used to make a contribution were intentionally funneled through a closely held corporation or corporate LLC for the purpose of making a contribution that evades the Act's reporting requirements, making the individual, not the corporation or corporate LLC, the true source of the funds.” *Id.*; *see also id.* at 12. The relevant factors that these Commissioners indicated they would consider included whether:

. . . there is evidence indicating that the corporate entity did not have income from assets, investment earnings, business revenues, or bona fide capital investments, or was created and operated for the sole purpose of making political contributions. These facts would suggest the corporate entity is a straw donor and not the true source of the contribution.

Id. at 12.¹²

¹⁰ *United States v. O'Donnell*, 608 F.3d 546, 553 (9th Cir. 2010) (“[T]he congressional purpose behind [Section 30122]—to ensure the complete and accurate disclosure of the contributors who finance federal elections— is plain.”) (emphasis added); *Mariani v. United States*, 212 F.3d 761, 775 (3d Cir. 2000) (rejecting constitutional challenge to section 30122 in light of the compelling governmental interest in disclosure).

¹¹ See <https://www.fec.gov/files/legal/murs/6487/16044391129.pdf>.

¹² Mitigating factors include whether a contributor was acting pursuant to legal advice, and whether reports are corrected to reflect a true donor's identity in advance of an election. *Id.* at 13 n.70.

13. Because Montcalm LLC does not have a website, social media account, or business record,¹³ the available facts do not suggest that Montcalm LLC conducted any business or had sufficient income from assets, investment earnings, business revenues, or bona fide capital investments to cover the \$150,000 contribution to Congressional Leadership Fund at the time the contribution was made, without an infusion of funds provided to it for that purpose. The temporal proximity between Montcalm LLC's formation and its \$150,000 contribution, viewed in the context of its overall activities, strongly suggests that it received funds for the specific purpose of making this contribution: Montcalm LLC was formed on September 28, 2020, then made a \$150,000 contribution on October 8, 2020.¹⁴
14. Therefore, based on published reports, there is reason to believe that Montcalm LLC violated 52 U.S.C. § 30122 by “[g]iving money . . . , all or part of which was provided to” the entity by another person (*i.e.*, the true contributor(s)) without disclosing the true source of money at the time of making the contribution to Congressional Leadership Fund. *See* 11 C.F.R. § 110.4 (b)(2)(i).
15. Based on published reports, there is reason to believe that the person(s) who created, operated, and/or contributed to Montcalm LLC (John Doe, Jane Doe, and other persons) violated 52 U.S.C. § 30122 by “[m]aking a contribution of money . . . and attributing as the source of the money . . . another person [namely, Montcalm LLC] when in fact [the person(s) who created, operated and/or contributed to Montcalm LLC was] the source.” *See* 11 C.F.R. § 110.4(b)(2)(ii).

¹³ *See* sources cited *supra* ¶ 8.

¹⁴ *See* sources cited *supra* ¶¶ 5-6.

16. Based on published reports, there is reason to believe that Montcalm LLC has violated 52 U.S.C. § 30122 by “knowingly permit[ting its] name to be used to effect such a contribution.” 52 U.S.C. § 30122.

**POLITICAL COMMITTEE STATUS, REGISTRATION,
AND REPORTING REQUIREMENTS**

17. FECA defines the term “political committee” to mean “any committee, club, association or other group of persons which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year.” 52 U.S.C. § 30101(4)(A); *see also* 11 C.F.R. § 100.5(a). “Contribution,” in turn, is defined as “any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office.” 52 U.S.C. § 30101(8)(A)(i). Similarly, “expenditure” is defined as “any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made by any person for the purpose of influencing any election for Federal office.” 52 U.S.C. § 30101(9)(A)(i).
18. In *Buckley v. Valeo*, 424 U.S. 1 (1976), the Supreme Court construed the term “political committee” to “only encompass organizations that are under the control of a candidate or the major purpose of which is the nomination or election of a candidate.” *Id.* at 79. Again, in *FEC v. Mass. Citizens for Life, Inc.*, 479 U.S. 238 (1986), the Court invoked the “major purpose” test and noted, in the context of analyzing the activities of a 501(c)(4) group, that if a group’s independent spending activities “become so extensive that the *organization’s major purpose may be regarded as campaign activity*, the corporation would be classified as a political committee.” *Id.* at 262 (emphasis added). In that instance, the Court continued, the corporation would

become subject to the “obligations and restrictions applicable to those groups whose primary objective is to influence political campaigns.” *Id.*

19. The Commission has explained:

[D]etermining political committee status under FECA, as modified by the Supreme Court, requires an analysis of both an organization’s specific conduct—whether it received \$1,000 in contributions or made \$1,000 in expenditures—as well as its overall conduct—whether its major purpose is Federal campaign activity (*i.e.*, the nomination or election of a Federal candidate).

Supplemental Explanation and Justification on Political Committee Status, 72 Fed. Reg. 5595, 5597 (Feb. 7, 2007).

20. Based on the above, there is a two-prong test for “political committee” status under federal law: (1) whether an entity or other group of persons has a “major purpose” of influencing the “nomination or election of a candidate,” as stated by *Buckley*, and, if so, (2) whether the entity or other group of persons receives “contributions” or makes “expenditures” of \$1,000 or more in a calendar year.

21. Any entity that meets the definition of a “political committee” must file a “statement of organization” with the Commission, 52 U.S.C. § 30103, must comply with the organizational and recordkeeping requirements of 52 U.S.C. § 30102, and must file periodic disclosure reports of its receipts and disbursements, 52 U.S.C. § 30104.¹⁵

22. The political committee disclosure reports required by FECA must disclose to the Commission and the public, including complainants, comprehensive information regarding such committee’s financial activities, including the identity of any donor who has contributed \$200 or more to the committee within the calendar year. *See* 52

¹⁵ 52 U.S.C. § 30121, the ban on foreign nationals directly or indirectly making contributions or expenditures in connection with Federal, State, or local elections, prohibits a foreign national from directly or indirectly making a contribution to an independent expenditure-only political committee.

U.S.C. § 30104(b). The Supreme Court has repeatedly recognized the importance of campaign finance disclosure to informing the electorate. *See, e.g., Citizens United v. FEC*, 558 U.S. 310, 371 (2010) (“[T]ransparency enables the electorate to make informed decisions and give proper weight to different speakers and messages”).

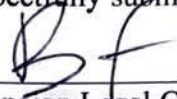
23. Based on published reports, there is reason to believe that Montcalm LLC met the two-prong test for political committee status by (1) being an entity or group of persons with the “major purpose” of influencing the “nomination or election of a candidate” and (2) receiving “contributions” of \$1,000 or more in a calendar year.
24. There is no public record of Montcalm LLC conducting any activities other than making a political contribution since its formation. Consequently, there is reason to believe that Montcalm LLC and any other person(s) who created and operated Montcalm LLC have violated 52 U.S.C. §§ 30102, 30103, and 30104 by failing to register Montcalm LLC as a political committee and failing to file disclosure reports as a political committee.

PRAYER FOR RELIEF

25. Wherefore, the Commission should find reason to believe that Montcalm LLC and any person(s) who created, operated and made contributions to or in the name of this entity (John Doe, Jane Doe, and other persons) have violated 52 U.S.C. § 30101 *et seq.*, and conduct an immediate investigation under 52 U.S.C. § 30109(a)(2).
26. Further, the Commission should seek appropriate sanctions for any and all violations, including civil penalties sufficient to deter future violations and an injunction prohibiting the respondents from any and all violations in the future, and should seek

such additional remedies as are necessary and appropriate to ensure compliance with the FECA.

Respectfully submitted,



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Counsel to the Campaign Legal Center,
Margaret Christ

October 23, 2020

VERIFICATION

The complainants listed below hereby verify that the statements made in the attached Complaint are, upon their information and belief, true.

Sworn pursuant to 18 U.S.C. § 1001.



For Complainant Margaret Christ

Margaret Christ
Margaret Christ

Sworn to and subscribed before me this 23 day of October 2020.

[Signature]

Notary Public



For Complainant Campaign Legal Center

BF

Brendan M. Fischer

Sworn to and subscribed before me this 23 day of October 2020.

[Signature]

Notary Public

EXHIBIT A



LABRA Corporations
Online Filing System
Department of Licensing and Regulatory Affairs

Form Revision Date 02/2017

ARTICLES OF ORGANIZATION
For use by **DOMESTIC LIMITED LIABILITY COMPANY**

Pursuant to the provisions of Act 23, Public Acts of 1993, the undersigned executes the following Articles:

Article I

The name of the limited liability company is:

MONTCALM LLC

Article II

Unless the articles of organization otherwise provide, all limited liability companies formed pursuant to 1993 PA 23 have the purpose of engaging in any activity within the purposes for which a limited liability company may be formed under the Limited Liability Company Act of Michigan. You may provide a more specific purpose:

Article III

The duration of the limited liability company if other than perpetual is:

PERPETUAL

Article IV

The street address of the registered office of the limited liability company and the name of the resident agent at the registered office (P.O. Boxes are not acceptable):

1. Agent Name: MARK E. RIZIK
 2. Street Address: 45 OTTAWA AVENUE SW
 Apt/Suite/Other: SUITE 1100
 City: GRAND RAPIDS
 State: MI Zip Code: 49503

3. Registered Office Mailing Address:

P.O. Box or Street Address: 45 OTTAWA AVENUE SW
 Apt/Suite/Other: SUITE 1100
 City: GRAND RAPIDS
 State: MI Zip Code: 49503

Article v

(Insert any desired additional provision authorized by the Act; attach additional pages if needed.)

THE LIMITED LIABILITY COMPANY SHALL BE MANAGED BY A MANAGER OR MANAGERS.

Signed this 28th Day of September, 2020 by the organizer(s):

Signature	Title	Title if "Other" was selected
Mark E. Rizik	Organizer	

By selecting ACCEPT, I hereby acknowledge that this electronic document is being signed in accordance with the Act. I further certify that to the best of my knowledge the information provided is true, accurate, and in compliance with the Act.

Decline Accept

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS***FILING ENDORSEMENT***

This is to Certify that the ARTICLES OF ORGANIZATION

for

MONTCALM LLC

ID Number: 802531454

received by electronic transmission on September 28, 2020 , ***is hereby endorsed.***

Filed on September 28, 2020, ***by the Administrator.***

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 28th day of September, 2020.

Linda Clegg

Linda Clegg, Interim Director

Corporations, Securities & Commercial Licensing Bureau