

COMPLAINT FORM

Alleging a Violation of the Georgia Government Transparency and Campaign Finance Act

JURISDICTION: This office has jurisdiction ONLY in matters involving financial disclosure, campaign finance, and lobbyist disclosure. O.C.G.A. §45-1-6 covers state vendor disclosure law as outlined in the Campaign Finance Act in O.C.G.A. Title 21-5 et seq and O.C.G.A. §45-1-6 covering state vendor disclosure law. Please ensure that your complaint is within the Commission's jurisdiction. Mail original signed/notarized form and attachments to above address.

I. PERSON BRINGING COMPLAINT = COMPLAINANT:

| | | | | | | | |
|------------|---------------------|--------------------|------------|---------|----------|------|-------|
| Name: | Cecelia H. McMichen | | | | | | |
| Address: | [REDACTED] | | | | | | |
| City: | Dallas, | State: | GA | County: | Paulding | Zip: | 30157 |
| Telephone: | [REDACTED] | E-mail (optional): | [REDACTED] | | | | |

II. PARTY AGAINST WHOM COMPLAINT IS BROUGHT = RESPONDENT:

| | | | | | | | |
|---|--------------------|--------|----|---------|----------|------|-------|
| Name: | Senator Bill Heath | | | | | | |
| Address: | [REDACTED] | | | | | | |
| City: | Bremen, | State: | GA | County: | Haralson | Zip: | 30110 |
| Telephone: | [REDACTED] | | | | | | |
| [REDACTED] Senator, 31 st District | | | | | | | |

III. STATEMENT OF FACTS:

State the actions of the Respondent upon which your complaint is based along with an ALLEGATION that such facts constitute one or more violations of the Georgia Government Transparency and Campaign Finance Act. See JURISDICTION above. Include relevant dates and the names and addresses of other persons who you believe have knowledge of the facts and attach any documentation/evidence that support the facts alleged in this complaint. Please see § 21-5-6.23 regarding attorneys' fees.

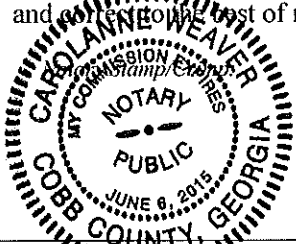
See attached statement.

(If continued on other side or additional paper, please check here)

IV. VERIFICATION BY OATH OR AFFIRMATION - ORIGINAL NOTARY & SIGNATURES REQUIRED

STATE OF Georgia COUNTY OF Paulding

I, the undersigned Complainant, being duly sworn, depose (affirm) and say that the information in this Complaint is true and correct to the best of my knowledge and belief.



Sworn to and subscribed before me on
July 27, 2012

 Signature of Notary Public
 My Commission Expires: June 6, 2015

SIGNATURE OF COMPLAINANT:

 DATE: 7/27/12

PENALTY: A person to whom a lawful oath or affirmation has been administered or who executes a document knowing that it purports to be an acknowledgment of a lawful oath or affirmation commits the offense of false swearing when, in any matter or thing other than a judicial proceeding, he knowingly and willfully makes a false statement under Code Section 16-10-71. A person convicted of the offense of false swearing shall be punished by a fine of not more than \$1,000.00 or by imprisonment for not less than one nor more than five years, or both.

Statement of Facts in Support of Ethics Complaint Against Senator Bill Heath

State Senator Bill Heath is a member of the Republican Caucus in the Georgia State Senate, which formed a PAC known as Senate Republican Senatorial Trust (hereinafter "SRST PAC"). In May 2012, the SRST PAC interviewed North Carolina political consultant Michael Luethy and selected him to "help any and all caucus members who received primary opposition." Mr. Luethy was then expected to create an "independent committee" in Georgia to be funded with a block grant from the SRST PAC. Attached is a copy of an email dated July 13, 2012, from the SRST PAC to its members, including Sen. Heath.

After selecting him, Mr. Luethy created a supposedly independent committee in May 2012 called "Georgia Republican Senate Caucus Promotion PAC" (hereinafter "Committee"), after which the SRST PAC funded it with \$140,000.00 for the express purpose of creating an "incumbent protection program" to advocate for the re-election of certain incumbent senators in contested primaries including Bill Heath. The SRST PAC admittedly provided Mr. Luethy with Sen. Heath's name along with his alleged legislative accomplishments from the last two years.

Funds from the SRST PAC were then funneled through the Committee to Heath's re-election campaign in the form of in-kind contributions well in excess of the \$2,500.00 limit on contributions under Georgia law. In fact, the Committee sent at least six (6) mailers throughout the 31st Senate District advocating for the re-election of Senator Heath, which likely cost tens of thousands of dollars.

Attached are copies of six (6) mailers from the Committee, along with three (3) mailers from the Heath campaign paid for by "Friends of Bill Heath". As you will note in the mailers, both repeatedly claim that Sen. Heath is a "rock solid conservative" and use the identical language "Rock Solid Conservative Leadership". It is more than mere coincidence that both the Committee and Sen. Heath's campaign used the exact same theme throughout the literature in every mailer sent; rather, it is apparent that the two coordinated their mail strategy.

Moreover, you will see that very similar language is used in the mailers from the Committee and Sen. Heath's campaign. For instance, both claim in bullet form with almost identical language that Sen. Heath "eliminated the Car Tag Tax" and that he "Protected the Senior Income Tax Cut". Further, both use the exact same phrase "Rock Solid Conservative Leadership". Again, this appears to be more than just coincidental but rather a carefully orchestrated campaign together.

Under Official Code of Georgia 21-5-3(15), an "Independent Committee" means any committee, club, association, partnership, corporation, labor union, or other group of persons, other than a campaign committee, political party, or political action committee, which receives donations during a calendar year from persons who are members or supporters of the committee and which expends funds either for the purpose of affecting the outcome of an election for any elected office or to advocate the election or defeat of any particular candidate."

Further, an Independent Committee is one that makes "independent expenditures", which must meet certain conditions and cannot be made with the cooperation or consent of, or in consultation with, or at the request or suggestion of any candidate or any of his agents or authorized committees. An

expenditure which does not meet these criteria for independence is considered a contribution which is subject to the campaign contribution limits.

Sen. Heath's participation in the SRST PAC and coordination, cooperation and consultation with the Committee violated Georgia's ethics laws by providing in-kind contributions to Sen. Heath's campaign well in excess of the \$2,500 limit. It stretches all credulity to suggest that the Committee is "independent" from Senator Heath when it was funded with money from SRST PAC, of which Senator Heath is a member and for which he likely helped raise funds. How can an "independent committee" be independent if it only exists because the candidate which it benefitted helped set it up, fund it, furnish it with the information used to promote that candidate, and then coordinate a common campaign theme with nearly identical language used in every mailer sent to voters? As noted above, an independent committee "receives donations from supporters of the committee". Since the only funding for the Committee came from the SRST PAC, the SRST PAC can only be deemed a "supporter" of the Committee, thus undermining its alleged independence when the committee is told to expend funds for the re-election of Sen. Heath who is a member of the SRST PAC.

In closing, the Commission need look no further into the ethics violation by Bill Heath than reviewing the email dated July 13th from the SRST PAC, in which it admits that "going the route of funding [the Committee]" was the only mechanism available to use "to protect our incumbents" because the "State GOP... [would not] engage" in such conduct.

Allowing Mr. Luethy's Committee to spend potentially unlimited funds on Sen. Heath's campaign in violation of campaign laws will likely affect the outcome of the contested Republican primary election and taint the office he seeks to hold. I hope that the Commission will move expeditiously to review the apparent ethics violation committed by Bill Heath and take appropriate action to ensure that Sen. Heath follows the very rules he was elected to create.

From: [REDACTED]
Date: July 13, 2012 6:05:08 PM EDT
To: gagopsenators [REDACTED]
Subject: Caucus Support
Reply-To: "[REDACTED].com" <[REDACTED].com>

Senator Cowser, Senator Goggans and Senator Rogers wanted me to pass along the following email.

I hope y'all have a great weekend!

Senators,

I hope everyone is having a great summer.

Last September at Barnsley Gardens the Caucus unanimously agreed to use Senate Republican Trust resources to assist our caucus members who received primary opposition. In the past we have used the Trust to fund our incumbent protection program by making contributions to the State GOP, which would then send mail pieces on behalf of our members facing opposition in the General Election. The State Party is hesitant to engage in Republican Primary contests. Therefore, we have elected to utilize an independent entity to assist in the defense of our caucus members facing primaries.

The decision was made to accept a proposal from a highly experienced political consultant outside the state to protect our fellow Senators. His name is Michael Luethy. He is the former political director for the RSLC, the national committee that assists state legislative caucuses. He has run programs like this all over the country to build and protect Republican majorities. He is based in North Carolina and is highly regarded by legislative leaders across the country. His mission was to help any and all caucus members who received primary opposition.

We gave him a block grant of funding to his independent committee and trusted him to maximize those dollars to help our incumbents. We provided him with of legislative accomplishments from the past 2 years and the names of Caucus members facing primary opposition. We have had no further contact with him as this is an independent group and we are not allowed to coordinate efforts with him. He has not coordinated with any Senator or campaign committees in any way on this project.

Going the route of funding an independent committee was the only legal mechanism available to use to protect our incumbents. This is completely legal and does not violate any finance campaign laws. Please read the comments from Rick Thompson, former head of the State Ethics Commission on the GaPundit.com <<http://GaPundit.com>> blog if you would like confirmation of this.

This kind of effort is exactly what our Trust is for and we should be even more aggressive in the future to protect any and all members of our caucus.

If asked by the media, this is the prepared response we will provide.

"The Georgia Republican Senate Caucus supports and protects our fellow members. With no

direct manner to individually support our members, we have supported an independent campaign committee created by Michael Luethy. Michael has a long track record in Republican politics that we trust. He set up this Committee to help protect our Republican Senate colleagues. We have every reason to trust he will do all that is possible to protect and support our Caucus members during any challenge to re-election. No caucus member has coordinated efforts in any way with Michael or his committee."

Additionally, if you have not reached out to your fellow caucus members that have opposition, I am sure they would appreciate any support you can give them. Below is a list of caucus members with opposition and their mailing address if you would like to contribute to their campaign.

Despite our occasional differences, membership in our caucus is special and important. Our unity is our strength and we should support each other in our times of need. I hope you will join me in supporting our colleagues.

Senator Don Balfour
Comm. To Re-elect Balfour
2312 Waterscape Trail
Snellville, GA 30078
(770) 931 – 4939

Senator Cecil Staton
Cecil Staton for State Senate
P. O. Box 26427
Macon, GA 31221
(478) 757 – 0983

Senator Chip Rogers
Friends for Chip Rogers
P.O. Box 813
Woodstock, GA 30188
(678) 232 – 9455

Senator Johnny Grant
Grant for Senate
PO Box 1458
Milledgeville, GA 31059
(478) 451 – 7234

Senator Jack Murphy
Friends Of Jack Murphy
3830 Adams Rd.
Cumming, GA 30041
(770) 781 – 9319

Bill Heath
Friends of Bill Heath
2225 Cashtown Road
Bremen, GA 30110
(770) 537 – 5234

Senator Frank Ginn
Friends of Frank Ginn
P O Box 1136

Danielsville, GA 30633
(706) 680 - 4466

If you have any further questions or if we can help you with anything please reach out to us.

Sincerely,

Bill, Chip & Greg

INDEX OF MAILERS

- 1. GRSCP PAC Mailer # 1**
- 2. GRSCP PAC Mailer # 2**
- 3. GRSCP PAC Mailer # 3**
- 4. GRSCP PAC Mailer # 4**
- 5. GRSCP PAC Mailer # 5**
- 6. GRSCP PAC Mailer # 6**
- 7. Heath Campaign Mailer # 1**
- 8. Heath Campaign Mailer # 2**
- 9. Heath Campaign Mailer # 3**

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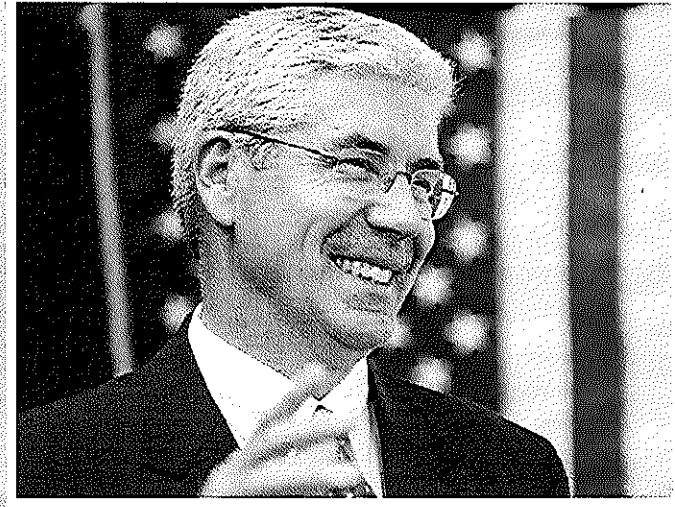


REPUBLICAN SENATOR

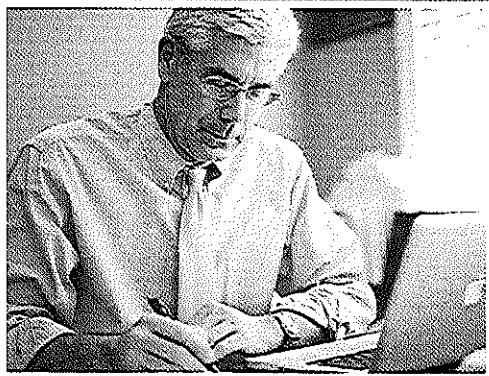
BILL HEATH

Rock Solid Conservative

A Champion for Our Values



**Please Support Our Republican Leaders Such as
Governor Nathan Deal and Senator Bill Heath.**



BILL HEATH'S AGENDA

New jobs in Georgia

Lower Taxes

Less Regulation

**Supporting
Small Businesses**

Balanced Budget

REPUBLICAN SENATOR BILL HEATH

has been a champion on protecting our conservative values.

Senator Heath believes that every life has a value, and he has led the charge to protect innocent human life.

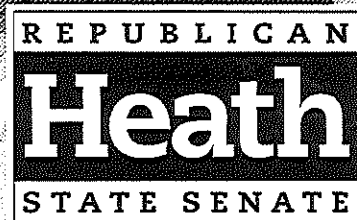
This year, Bill Heath supported HB 954, The Fetal Pain bill, which would ban abortions after 20 weeks. The bill eliminates barbaric late term abortions and provides exceptions to save the life of the mother.

Bill also showed his commitment to promoting our traditional values by passing legislation to create a free "In God we Trust" car tag.



CONSERVATIVE REPUBLICAN SENATOR BILL HEATH

Rock Solid Conservative
Leadership That Delivers For You!



www.BillHeath.net

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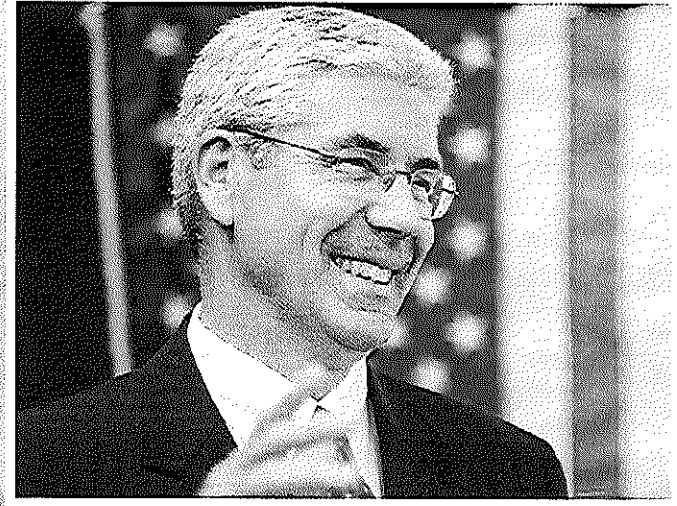
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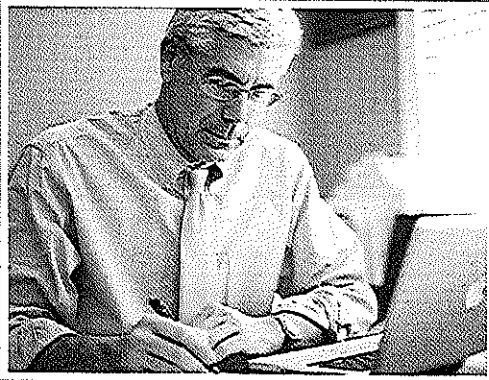
REPUBLICAN SENATOR
BILL HEATH

Conservative Champion

Slashing Government Spending



Please Support Our Republican Leaders Such as
Governor Nathan Deal and Senator Bill Heath.



BILL HEATH'S LEADERSHIP

Balanced State Budget

Eliminated wasteful spending

**Established a
"Sunset Committee"
to eliminate wasteful
agencies and programs**

**Zero-based budgeting to
justify every agency dollar**

REPUBLICAN SENATOR BILL HEATH
has led the charge to slash spending and
reduce the size of government.

This year Senator Heath supported a balanced state budget
that cut government spending to mid-1990's levels.

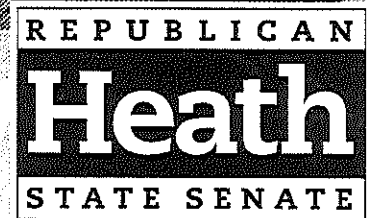
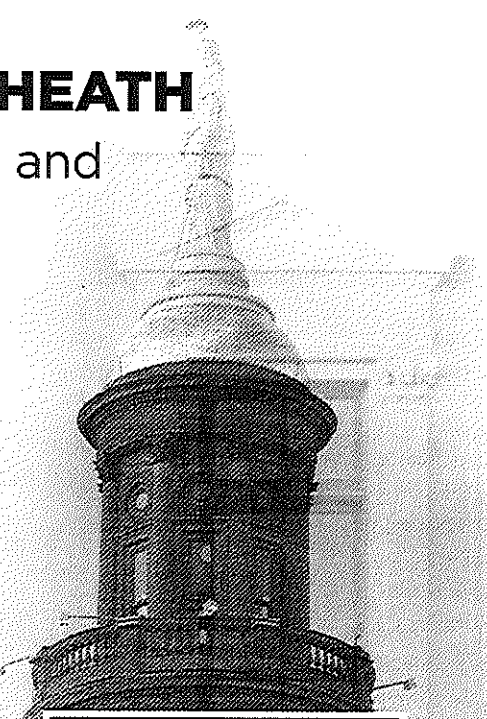
To eliminate waste, Bill Heath led the effort to
implement zero-based budgeting that will require every
government department to justify every dollar spent.

**And he supported the Georgia Government Accountability
Act that creates the Sunset Committee that will make
recommendations on state programs to abolish.**



**CONSERVATIVE REPUBLICAN
SENATOR BILL HEATH**

**Rock Solid Conservative
Leadership That Delivers For You!**

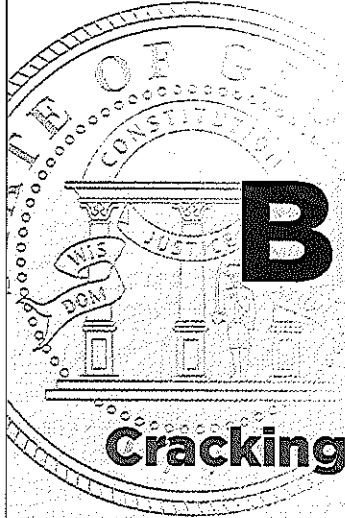


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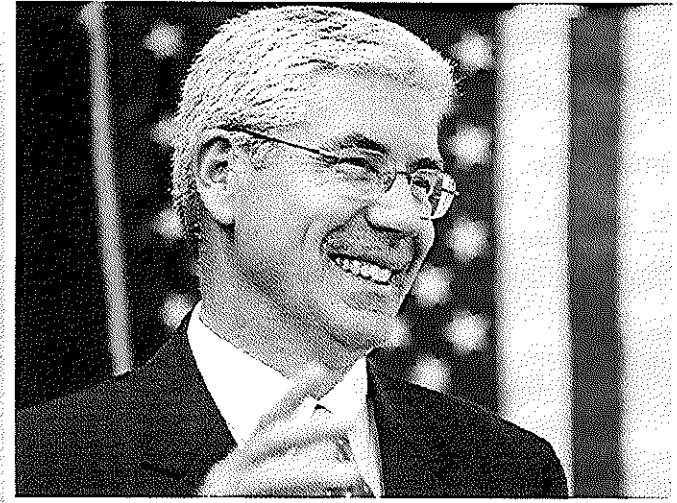


REPUBLICAN SENATOR

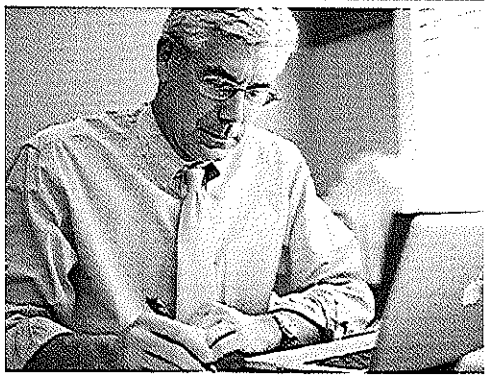
BILL HEATH

Rock Solid Conservative

Cracking Down on Illegal Immigrants



**Please Support Our Republican Leaders Such as
Governor Nathan Deal and Senator Bill Heath.**



BILL HEATH'S AGENDA

New jobs in Georgia

Lower Taxes

Less Regulation

**Supporting
Small Businesses**

Balanced Budget

REPUBLICAN SENATOR BILL HEATH

supported a tough immigration reform bill that is cracking down on illegal immigrants.

Illegal immigrants were costing the state over \$2 billion a year by flooding our jails and taking advantage of our schools and healthcare system.

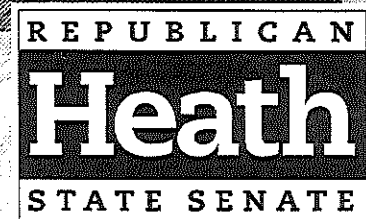
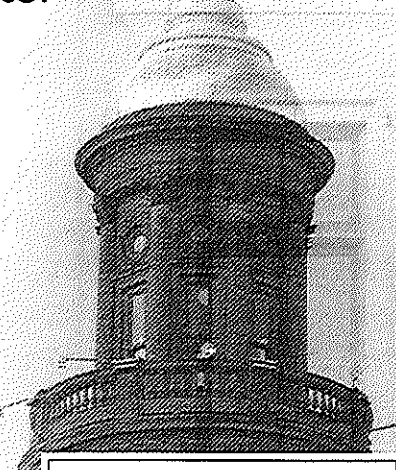
The new law requires employers to check the immigration status of potential employees and expands law enforcement's ability to deport criminal illegals.

Thanks to Senator Heath's efforts, illegals are leaving Georgia — saving millions of our hard-earned tax dollars.



CONSERVATIVE REPUBLICAN SENATOR BILL HEATH

**Rock Solid Conservative
Leadership That Delivers For You!**

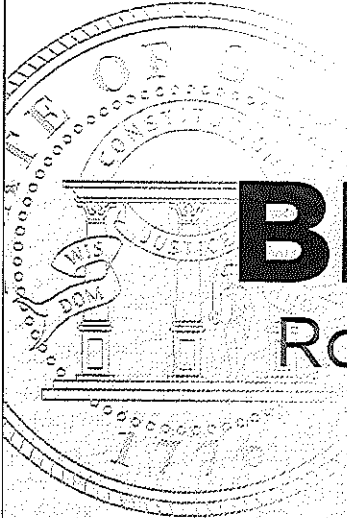


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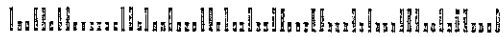
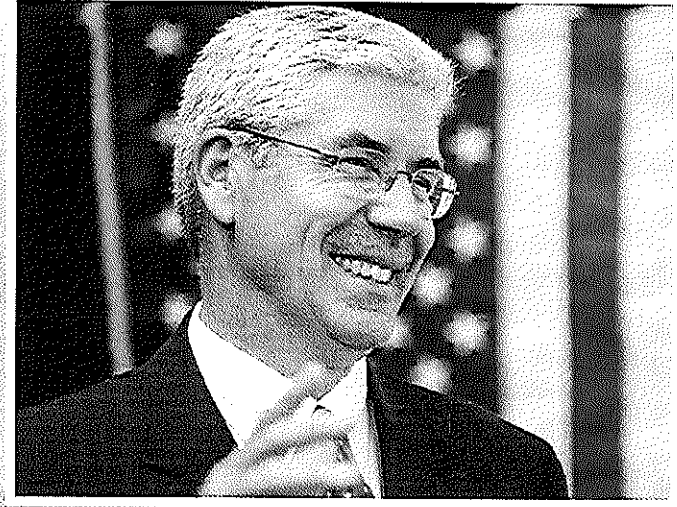
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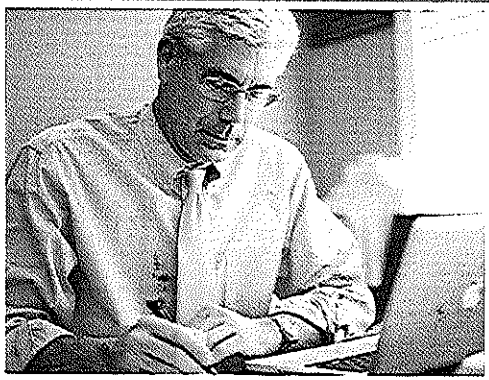


REPUBLICAN SENATOR
BILL HEATH

Rock Solid Conservative
Tax Cut Champion



Please Support Our Republican Leaders Such as
Governor Nathan Deal and Senator Bill Heath.



BILL HEATH'S TAX CUT

ELIMINATES the
Annual Car Tag Tax

PROTECTS the Income Tax
Exemption for Seniors

SUPPORTS Small
Businesses

HELPS Recruit New
Manufacturing Jobs
to Georgia

REPUBLICAN STATE SENATOR BILL HEATH

Led the Passage of a Huge Tax CUT Bill
in the 2012 General Assembly Session

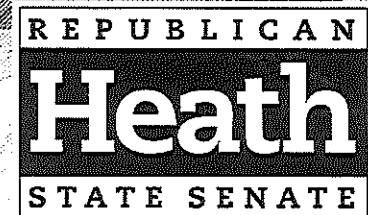
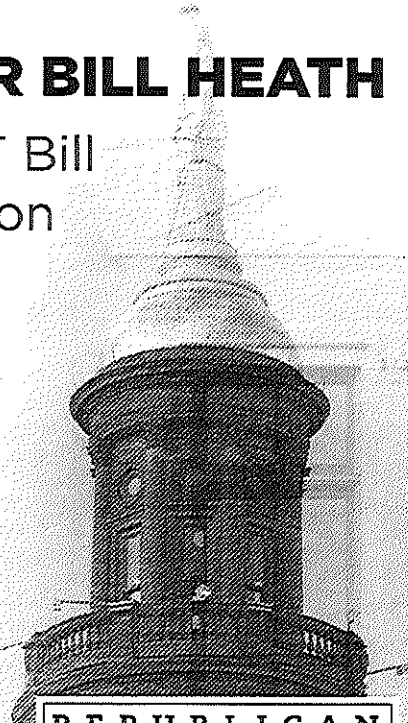
Bill Heath's Tax Cut Legislation has already
helped secure thousands of new jobs in Georgia
and will help economic development across
West Georgia!

Learn More about HB 364, Georgia's Jobs and
Family Tax Reform Plan, that Bill Heath passed
in the State Senate at www.BillHeath.net



**CONSERVATIVE REPUBLICAN
SENATOR BILL HEATH**

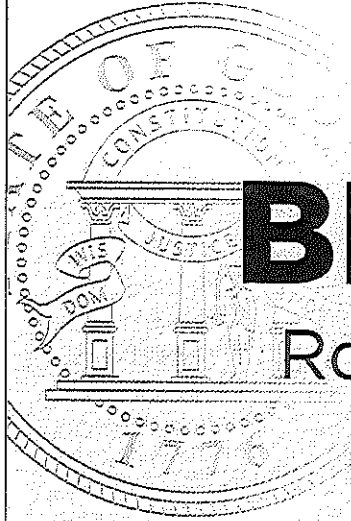
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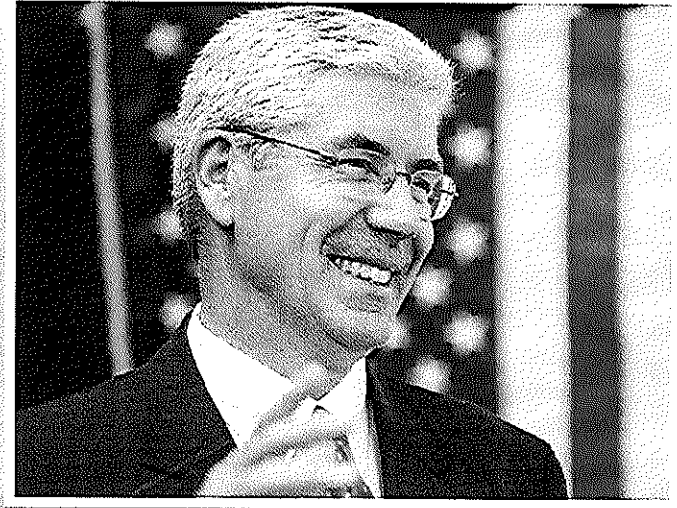
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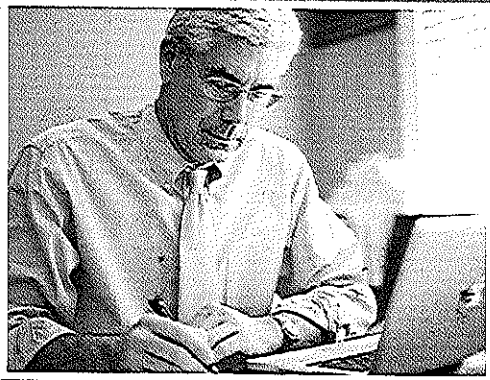
Rock Solid Conservative
Delivering New Jobs



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IN THE
UNITED STATES
GRAYSON, GA 30017-4507



Please Support Our Republican Leaders Such as
Governor Nathan Deal and Senator Bill Heath.



BILL HEATH'S AGENDA

New jobs in Georgia

Lower Taxes

Less Regulation

**Supporting
Small Businesses**

Balanced Budget

REPUBLICAN SENATOR BILL HEATH

has worked hard to deliver legislation that will grow Georgia's economy and get our families back to work.

Bill Heath's tax cut legislation passed this session will remove the sales tax on energy and make Georgia more competitive in attracting manufacturing jobs.

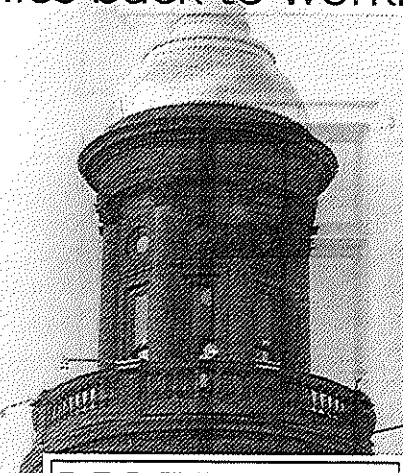
And Bill Heath supported legislation that puts online retailers on a level playing field with our local small businesses to grow our local economy.

The pro-jobs legislation supported by Bill Heath has already led to 1000s of new jobs here in Georgia.



**CONSERVATIVE REPUBLICAN
SENATOR BILL HEATH**

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Leadership That Delivers For You!**

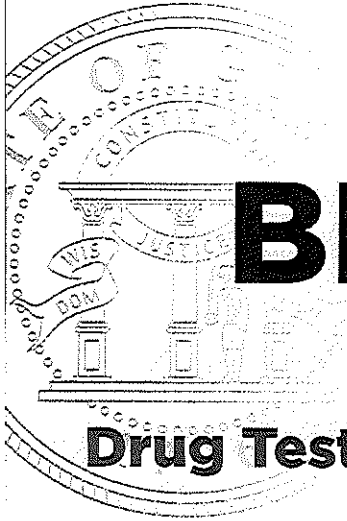


REPUBLICAN
Heath
STATE SENATE

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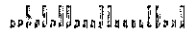
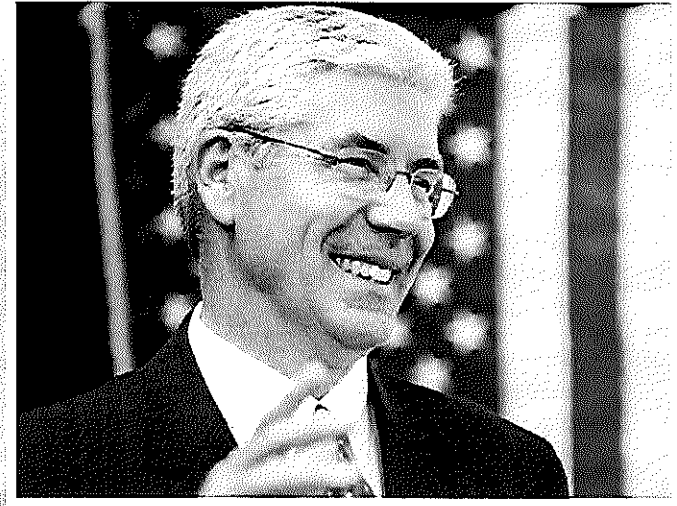
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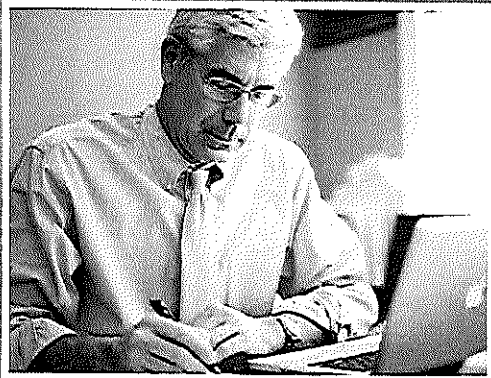
REPUBLICAN SENATOR
BILL HEATH

Rock Solid Conservative

Drug Testing for Welfare Recipients



**Please Support Our Republican Leaders Such as
Governor Nathan Deal and Senator Bill Heath.**



BILL HEATH'S AGENDA

New jobs in Georgia

Lower Taxes

Less Regulation

**Supporting
Small Businesses**

Balanced Budget

REPUBLICAN SENATOR BILL HEATH

supported legislation to require mandatory drug testing for those receiving state welfare (TANF) dollars.

Most people have to take drug tests at their jobs. And those receiving welfare benefits should be required to do the same.

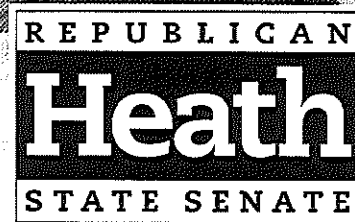
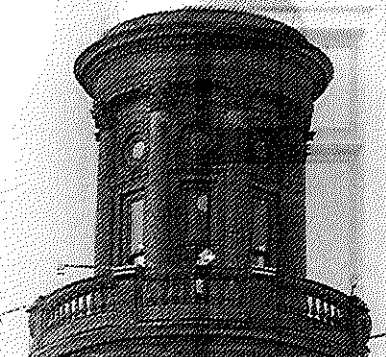
The message is clear: drug users will not be allowed to use our tax dollars to support their drug addiction anymore.

This common sense legislation will cut government spending and end the abuse of taxpayer dollars.



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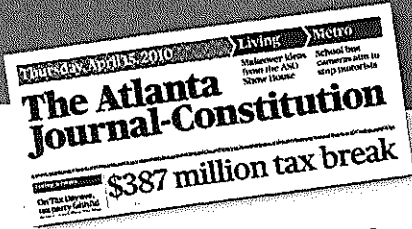


www.BillHeath.net

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Group

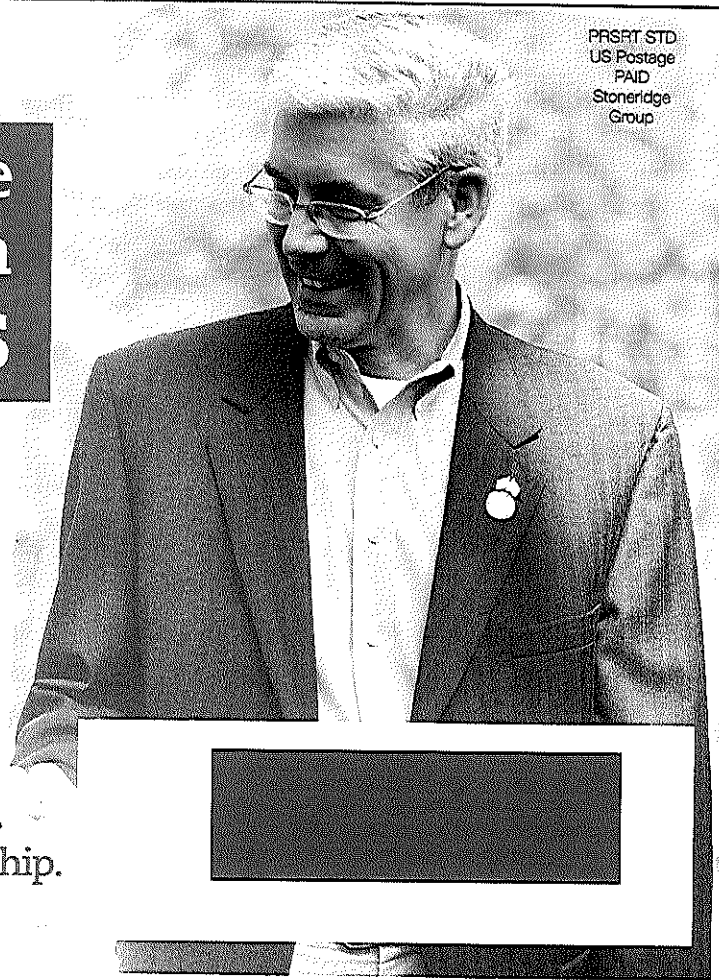
Our Rock Solid Conservative State Senator Bill Heath CUTS TAXES



As our Senator, Bill Heath has:

- Eliminated the Car Tag Tax & State Property Tax.
- Protected the Senior Income Tax Cut.
- Increased the Marriage Deduction.
- Cut Taxes on Businesses to Help Create Jobs.

Re-Elect Senator Bill Heath.
Rock Solid Conservative Leadership.
Early Voting July 9 – July 27.



Paid for by Friends of Bill Heath
2225 Cashtown Road
Bremen, Georgia 30110

PSRT STD
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Stoneridge
Group

Senator Bill Heath *and* Governor Nathan Deal

Rock Solid Conservative Leadership

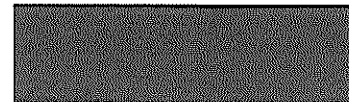
- Protecting HOPE
- Cutting Taxes
- Honest Leadership

Learn More at BillHeath.net

**Senator Bill Heath has been a
proven advocate for advancing
my pro-jobs, pro-family agenda.**

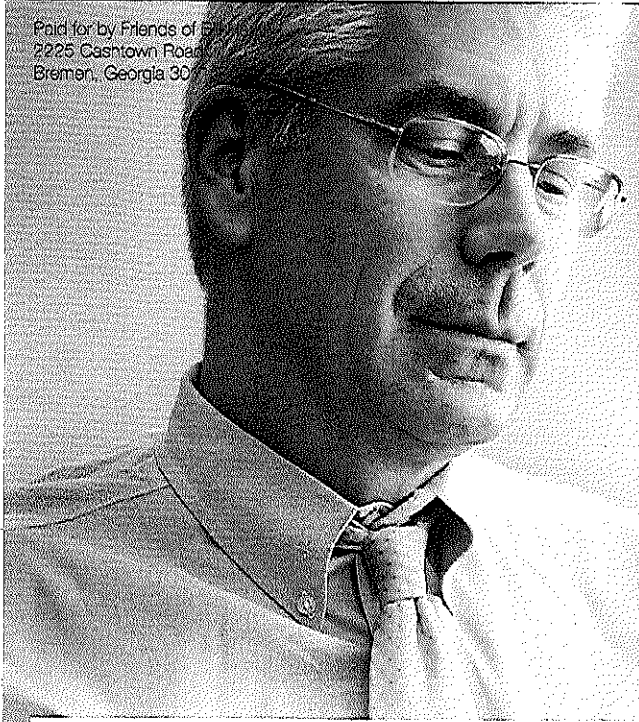
- Governor Nathan Deal

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Our Rock Solid Conservative Senator Bill Heath Has **SLASHED GOVERNMENT SPENDING & BALANCED THE BUDGET**

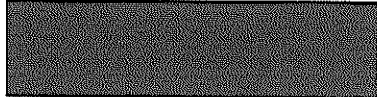
Senator Bill Heath's Proven Record:

- Balanced Budgets Every Single Year.
- Zero Based Budgeting That Forces Government Agencies to Justify Every Penny They Spend.
- Requiring Welfare Recipients to be Drug Tested to Receive Benefits.
- Shrinking the Size of State Government by 25%. State Spending is Now Below 1990's Levels.

Re-Elect Senator Bill Heath.

Rock Solid Conservative Leadership.
Early Voting July 9 – July 27.

*****ECL0T**R-018



SEE WHO ELSE IS RUNNING
AND WHERE THEY STAND
ON SPENDING AND
LOANS