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WisDems: Heartland Signal exposes multi-millionaire Tim Michels for allegedly underreporting companies he's invested in

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Campaign finance expert: "Tim Michels should promptly amend his disclosure reports to identify all his potential financial conflicts of interest"

MADISON, Wis. — In case you missed it, Tim Michels is under fire again for his shady business practices, potential conflicts of interest, and ultra-wealthy lifestyle. Yesterday, the Heartland Signal reported that Michels may have underreported how many businesses he has economic interests in.

The Heartland Signal found as many as 25 undisclosed LLCs linked to Michels, which he's potentially using to avoid reporting all of his assets. "It would appear that Tim Michels is exploiting some confusion surrounding LLCs and campaign finance laws," a campaign finance expert said.

Heartland Signal: Tim Michels allegedly underreported companies he's invested in through layers of LLCs

Wisconsin Republican gubernatorial candidate Tim Michels might have underreported how many businesses he has economic interests in, as the company he co-owns is connected to limited liability companies (LLCs) that purchase luxury homes across the U.S.

In June, Michels disclosed 12 enterprises to the Wisconsin Ethics Commission. However, an analysis of Wisconsin Department of Financial Institution documents

along with public documents from other states reveals as many as 25 undisclosed LLCs linked to Michels through his construction company, Michels Corp.

Conservative news outlet Wisconsin Right Now reported on two of these LLCs in May; one was used to purchase two homes in Connecticut, while a different LLC "manages" the properties. Although Michels is not the documented "manager" of this LLC, an employee from Michels Corp is. This employee never seemed to live at that property, since Michels' wife listed it as her home address when she made a campaign donation in 2021. WRN also went on to prove that Michels' children went to high school and grew up in Connecticut, further linking Michels to this Connecticut home.

Craig Holman, a campaign finance reform expert and campaign finance rules lobbyist for Public Citizen, said that Michels is likely attempting to take advantage of confusion around campaign finance laws in Wisconsin to avoid reporting all of his assets.

"It would appear that Tim Michels is exploiting some confusion surrounding LLCs and campaign finance laws," Holman said in an email. "LLCs are based on a unique business arrangement, the management of which is usually divided among the various partners. Campaign finance laws that ban or regulate campaign contributions from corporate entities often are not clear whether an LLC is captured."

As the research suggests, the tactic of hiding purchases through multiple layers of LLCs was used by a total of four different Michels Corp. employees to also buy private properties in Colorado, Minnesota, Florida and Wisconsin, as well as commercial real estate in Florida, Milwaukee and several other areas around Wisconsin. These employees provided private information such as personal phone numbers and emails in these documents; one of them use the employees used their Michels Corp. email address in them. By not reporting these properties, Michels could have incorrectly filed his statement of economic interests and therefore be withholding potential conflicts of interest from the public.

"When it comes to the Statements of Economic Interest in Wisconsin, there does not seem to be much confusion whether an LLC is captured under the disclosure requirement," Holman continued. "The personal financial disclosure reports seek to have candidates and lawmakers disclose all potential conflicts of interest —

potential conflicts from employers, investments, real estate, commercial clients and creditors. There is no explicit exemption for LLCs. Tim Michels should promptly amend his disclosure reports to identify all his potential financial conflicts of interest."

[…]

This research also suggests an ultra-wealthy lifestyle that Michels has been living, which conflicts with his campaign messaging that attempts to portray him as a blue-collar Wisconsinite. Michels and incumbent Wisconsin Gov. Tony Evers (D) will face each other in a tossup race on election day.