



STATE OF MICHIGAN  
RUTH JOHNSON, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

July 9, 2014

Karen L. Alholm  
1145 State Highway M-28 East  
Marquette, Michigan 49855

Dear Ms. Alholm:

The Department of State (Department) received a formal complaint filed by Nick Smaby against you, alleging that you violated section 47(1) of the Michigan Campaign Finance Act (MCFA), 1976 PA 388, MCL 169.247(1), by failing to include a complete and correct identification statement on your campaign signs. A copy of the complaint is provided as an enclosure with this letter.

The MCFA and corresponding administrative rules require a person who produces printed material that relates to an election to include the phrase "Paid for by [name and address of the person who paid for the item]." MCL 169.247(1), Mich. Admin. R 169.36(2). A knowing violation constitutes a misdemeanor offense punishable by a fine of up to \$1,000.00, imprisonment for up to 93 days, or both. MCL 169.247(5).

In support of his complaint, Mr. Smaby provided copies of pictures of a sign which states "KAREN L. ALHOLM for COUNTY COMMISSIONER 6<sup>TH</sup> District [.]". The paid-for-by statement on the sign appears to omit your committee's address.

The purpose of this letter is to inform you of the Department's examination of these matters and your right to respond to the allegations before the Department proceeds further. It is important to understand that the Department is neither making this complaint nor accepting the allegations as true.

**If you wish to file a written response to the complaint, you are required to do so within 15 business days of the date of this letter. Please include any evidence that reflects any corrective measures you have taken to bring your campaign material into compliance with the MCFA.** Your response may include any written statement or additional documentary evidence you wish to submit. All materials must be sent to the Department of State, Bureau of Elections, Richard H. Austin Building, 1<sup>st</sup> Floor, 430 West Allegan Street, Lansing, Michigan 48918. If you fail to submit a response, the Department will render a decision based on the evidence furnished by the complainant.

A copy of your reply will be provided to Mr. Smaby, who will have an opportunity to submit a rebuttal statement to the Department. After reviewing all of the statements and materials provided by the parties, the Department will determine whether "there may be reason to believe that a violation of [the MCFA] has occurred [.]". MCL 169.215(10). Note that the Department's

Karen L. Alholm

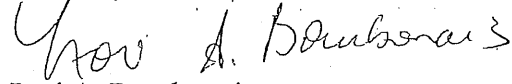
July 9, 2014

Page 2

enforcement powers include the possibility of entering a conciliation agreement, conducting an administrative hearing, or referring this matter to the Attorney General for enforcement of the criminal penalty provided in section 47(5) of the Act.

If you have any questions concerning this matter, you may contact me at (517) 241-0395.

Sincerely,



Lori A. Bourbonais

Bureau of Elections

Michigan Department of State

c: Nick Smaby

**Michigan Department of State  
Campaign Finance Complaint Form**

Reset Form

This complaint form may be used to file a complaint alleging that someone violated the Michigan Campaign Finance Act (the MCFA, 1976 PA 388, as amended; MCL 169.201 *et seq.*).

**Please print or type all information.**

I allege that the MCFA was violated as follows:

<b>Section 1. Complainant</b>		
Your Name <b>Nick Smaby</b>	Daytime Telephone Number <b>(906) 360-6425</b>	
Mailing Address <b>229 Jean St.</b>		
City <b>Marquette</b>	State <b>MI</b>	Zip <b>49855</b>

<b>Section 2. Alleged Violator</b>		
Name <b>Karen L. Alholm</b>		
Mailing Address <b>1145 State Highway M-28 East</b>		
City <b>Marquette</b>	State <b>MI</b>	Zip <b>49855</b>

**Section 3. Alleged Violations** (Use additional sheet if more space is needed.)

Section(s) of the MCFA violated: **169.247 Section 47**

Explain how those sections were violated:

**Address of person(s) paying for signage is not disclosed on yard signs**

Evidence that supports those allegations (attach copies of pertinent documents and other information):

**Photos Attached - I have them date, time and location stamped on my smart phone camera**

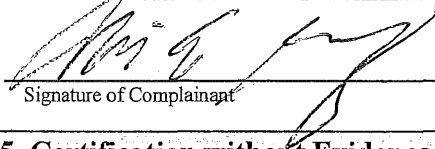
2019 JUL -1 PM 3: 46

BUREAU OF ELECTIONS  
MI DEPT OF STATE

**Section 4. Certification (Required)**

*I certify that to the best of my knowledge, information, and belief, formed after a reasonable inquiry under the circumstances, each factual contention of this complaint is supported by evidence.*

X

  
\_\_\_\_\_  
Signature of Complainant

06-25-14

\_\_\_\_\_  
Date

**Section 5. Certification without Evidence (Supplemental to Section 4)**

Section 15(6) of the MCFA (MCL 169.215) requires that the signed certification found in section 4 of this form be included in every complaint. However, if, after a reasonable inquiry under the circumstances, you are unable to certify that certain factual contentions are supported by evidence, you may also make the following certification:

*I certify that to the best of my knowledge, information, or belief, there are grounds to conclude that the following specifically identified factual contentions are likely to be supported by evidence after a reasonable opportunity for further inquiry. Those specific contentions are:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

X

\_\_\_\_\_  
Signature of Complainant

\_\_\_\_\_  
Date

Section 15(8) of the MCFA provides that a person who files a complaint with a false certification is responsible for a civil violation of the MCFA. The person may be required to pay a civil fine of up to \$1,000.00 and some or all of the expenses incurred by the Michigan Department of State and the alleged violator as a direct result of the filing of the complaint.

Mail or deliver the completed complaint form and evidence to the following address:

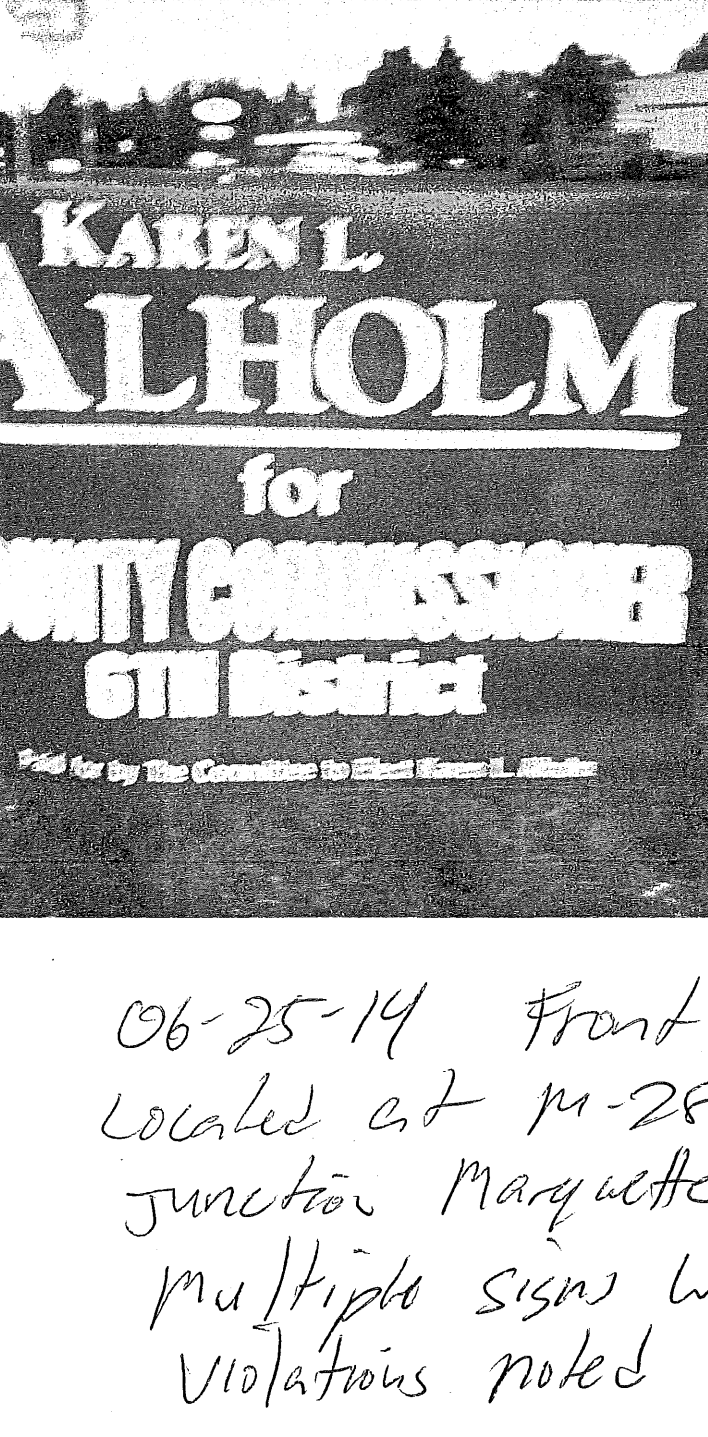
Michigan Department of State  
Bureau of Elections  
Richard H. Austin Building – 1st Floor  
430 West Allegan Street  
Lansing, Michigan 48918

KAREN L.  
**ALHOLM**

for  
**COUNTY COMMISSIONER**  
**6TH District**

Paid for by The Committee to Elect Karen L. Alholm

06-25-14 Rear of sign



KAREN L.  
**ALHOLM**  
for  
COUNTY COMMISSIONER  
6TH District

Paid for by The Committee to Elect Karen L. Alholm

06-25-14 Front of sign  
located at M-28 & U.S. 2  
junction Marquette, MI.  
Multiple signs with identical  
violations noted



STATE OF MICHIGAN  
RUTH JOHNSON, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

July 25, 2014

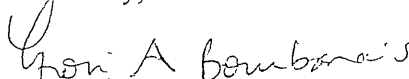
Nick Smaby  
229 Jean Street  
Marquette, Michigan 49855

Dear Mr. Smaby:

The Department of State received a response to the complaint you filed against Karen Alholm, which concerns an alleged violation of the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, MCL 169.201 *et seq.* A copy of the response is provided as an enclosure with this letter.

If you elect to file a rebuttal statement, you are required to send it within 10 business days of the date of this letter to the Bureau of Elections, Richard H. Austin Building, 1<sup>st</sup> Floor, 430 West Allegan Street, Lansing, Michigan 48918.

Sincerely,

  
Lori A. Bourbonais  
Bureau of Elections  
Michigan Department of State

c: Karen Alholm

July 19, 2014

2014 JUL 23 PM 2: 56

BUREAU OF ELECTIONS  
MI DEPT OF STATE

Lori A. Bourbonais  
Bureau of Elections  
Michigan Department of State  
Richard H. Austin Bldg. - 1<sup>st</sup> Floor  
430 W. Allegan  
Lansing, MI 48913

Dear Ms. Bourbonais:

This is in response to your letter of July 9, 2014, which I received on July 14, 2014, inviting me to respond to a formal complaint by Nick Smaby, a fellow candidate for the Marquette County Board of Commissioners - 6<sup>th</sup> District.

Thank you for the opportunity to take corrective action in this matter. I have done the following:

1. I contacted Linda Talsma, Marquette County Clerk, to determine if I could amend my organization statement to no longer have a Committee to Elect. She advised me that I could and I did. Enclosed is a copy of the amended organization statement.
2. I then removed Paid by the Committee to Elect Karen L. Alholm from my signage replacing the questioned signs with the modified signs. See the photo of the modified sign.
3. I contacted my upcoming advertisers to hold on publication of ads until hearing from me in that regard. See enclosed e-mail copies.
4. I my left telephone messages for you on July 16<sup>th</sup> with questions on how I should identify myself as responsible for payment of the ads. You called back but I missed your call, and the individual I had an opportunity to speak with could not answer my specific question.



5. On July 17, 2014 I contacted Matt Wiese, Prosecuting Attorney for Marquette County, and explained the situation to him, including the formal complaint filed and my actions to that time. Mr. Wiese suggested I identify the ads as Paid by Candidate Karen L. Alholm. I am following his suggestion.

Thank you, again, for an opportunity to take correction action on this issue.

Sincerely,

A handwritten signature in cursive script, appearing to read "Karen L. Alholm".

Karen L. Alholm  
1145 M-28 E.  
Marquette, MI 49855

Cc: Matt Wiese

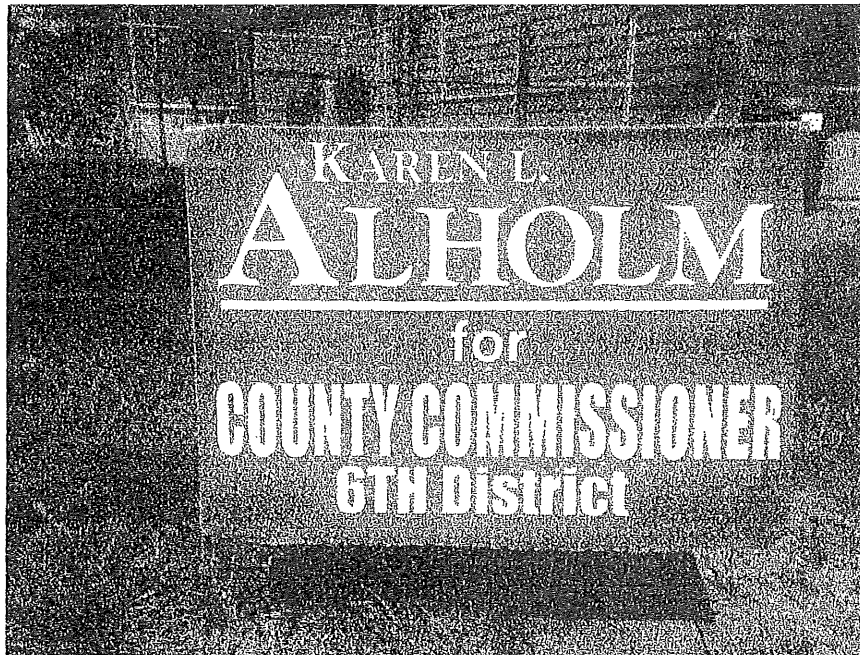


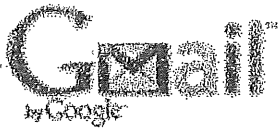
MICHIGAN DEPARTMENT OF STATE  
BUREAU OF ELECTIONS

ORIGINAL OR AMENDED  
STATEMENT OF ORGANIZATION FORM FOR CANDIDATE COMMITTEES

1. Committee ID #: <b>71698</b>	*2. Type of Filing: <input type="checkbox"/> Original: <input checked="" type="checkbox"/> Amendment to items: <b>3</b>	Eff. Date: <b>7/15/14 8:50A</b>
*3. Full Name of Committee (must include Candidate's first and last name): <b>Karen L Alholm</b>		
*4a. Candidate Full Name: Last Name	First Name	M.I.
*4b. Political Party (if applicable):	*4c. County of Residence:	
*4d. Office Sought:	*4e. District/Circuit # or Jurisdiction:	
*5. Date Committee was Formed:		
*6a. Committee Phone:	6b. Committee Fax #:	
6c. Committee Email Address:	6d. Committee Website Address:	
*7a. Complete Committee Mailing Address (May be PO Box):		
*7b. Complete Committee Street Address (May not be PO Box):		
*8. Treasurer Name and Complete Address:		
Phone #:	Email Address:	
9. Designated Record Keeper Name and Complete Address:		
Phone #:	Email Address:	
*10. REPORTING WAIVER REQUEST: <input type="checkbox"/> YES, I/We WANT TO APPLY FOR THE REPORTING WAIVER. The committee does not expect to receive or expend in excess of \$1,000 in an election. I/We understand that if the committee does not spend or received in excess of \$1,000 in an election, the committee does not owe Pre, Post, Quarterly and Annual Campaign Statements. I/We further understand that the Reporting Waiver will be automatically lost if the committee exceeds the \$1,000 threshold and all required campaign statements must be filed. <u>A Reporting Waiver does not exempt a committee from filing Late Contribution Reports.</u>  <input type="checkbox"/> NO, I/We DO NOT WANT TO APPLY FOR THE REPORTING WAIVER. The committee expects to receive or expend in excess of \$1,000 in an election. I/We understand that the committee owes Pre, Post, Quarterly and Annual Campaign Statements even if the committee does not spend or receive in excess of \$1,000 in an election. I further understand that the Reporting Waiver cannot be requested retroactively to avoid filing requirements and to avoid paying late filing fees. Further information regarding Reporting Waivers can be found in <u>Appendix C</u> of the Committee Manual.		
*11. Name and Address of Depositories or Intended Depositories of committee funds. (Michigan Bank, Credit Union or Savings & Loan Association) While this item must be completed, an account does not have to be opened until the first contribution is received. *Official Depository (name and address):  Secondary Depository (name and address):		
12. This item applies only to Gubernatorial Candidate Committees: Check if this committee intends to seek qualifying contributions or make qualifying expenditures.		
13. ELECTRONIC FILING: This item applies to committees that file with the Michigan Department of State Bureau of Elections only and does not apply to Candidate Committees that file with the County Clerk's office. <input type="checkbox"/> Committee spent or received or expects to spend or receive in excess of \$5,000 and is required to file electronically.  <input type="checkbox"/> Committee did not spend or receive or does not expect to spend or receive in excess of \$5,000 and would like to file electronically voluntarily. Further information regarding Electronic Filing can be found in <u>Appendix D</u> of the Committee Manual.		
14. Verification: I/We certify that all reasonable diligence was used in the preparation of the above statement and that the contents are true, accurate and complete to the best of my/our knowledge or belief. If filing electronically, we further agree that the signatures below shall serve as the signatures that verify the accuracy and completeness of each statement filed electronically by the committee. I/We certify that all reasonable diligence will be used in the preparation of each statement electronically filed by this committee and that the contents of each statement will be true, accurate and complete to the best of my/our knowledge or belief. (Sign Name and Date)		
*Candidate: <b>Karen L Alholm</b>	Date: <b>7/15/14</b>	*Current Treasurer <b>Karen L Alholm</b> Date: <b>7/15/14</b>
Designated Record Keeper (Required only if filing electronically)		Date:

BUREAU OF ELECTIONS  
MICHIGAN DEPT OF STATE  
2014 JUL 23 PM 2:56





Karen Alholm <karenalholm@gmail.com>

---

## Karen L. Alholm Mining Journal Campaign Ads

1 message

---

Karen Alholm <karenalholm@gmail.com>  
To: jrantanen <jrantanen@miningjournal.net>

Tue, Jul 15, 2014 at 8:29 AM

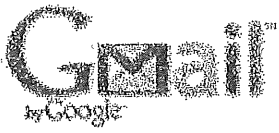
Dear J.R. -

I am amending my campaign organization statement with Marquette County to delete the Committee status. In other words the phrase "Paid for by the Committee to Elect Karen L. Alholm" is no longer appropriate or valid, nor may it be used in my advertising.

Therefore, delete the phrase from the July 23, 2014 and July 30, 2014 Action Shopper ads, the July 26, 2014 targeted insert in The Mining Journal, and the August 6, 2014 Thank You ad.

Please confirm you have received this information. Also, forward corrected proofs for my review.

Sorry about any inconvenience, Karen L. Alholm



Karen Alholm <karenalholm@gmail.com>

---

## Direct Mailing

2 messages

---

**Karen Alholm** <karenalholm@gmail.com>

Tue, Jul 15, 2014 at 8:08 AM

To: Lake Superior Press Printing <lakesuperiorpress@gmail.com>

Chris/Tom - I am amending my campaign organization statement with Marquette County to delete the Committee status. In other words the phrase "Paid for by the Committee to Elect Karen L. Alholm" is no longer appropriate, nor may it be used in my advertising.

Therefore, delete the phrase from the direct mailing I have purchased from you and which is to be sent out August 28, 2014.

Please confirm you have received this communication.

Thank you, and sorry for any inconvenience, Karen L. Alholm

---

**Lake Superior Press Printing** <lakesuperiorpress@gmail.com>

Tue, Jul 15, 2014 at 8:10 AM

To: Karen Alholm <karenalholm@gmail.com>

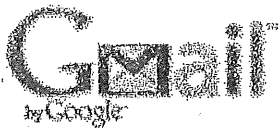
Karen,

I will forward this information onto Tom.

Sandy

Lake Superior Press, Inc.  
802 S. Lake Street  
PO Box 308  
Marquette, MI 49855  
Phone: 906-228-7450  
Fax: 906-228-3188

[Quoted text hidden]



Karen Alholm <karenalholm@gmail.com>

---

## August Marquette Monthly Campaign Ad

1 message

---

Karen Alholm <karenalholm@gmail.com>

Tue, Jul 15, 2014 at 8:17 AM

To: "patryanoday@chartermi.net" <patryanoday@chartermi.net>

Dear Pat - I am amending my campaign organization statement with Marquette County to delete the Committee status. In other words the phrase "Paid for by the Committee to Elect Karen L. Alholm" is no longer appropriate, nor may it be used in my advertising.

Therefore, delete the phrase from the Marquette Monthly campaign ad in August 2014.

Sorry for any inconvenience to you. Please confirm you have received this communication.

Thank you, Karen L. Alholm



STATE OF MICHIGAN  
RUTH JOHNSON, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

July 31, 2014

Nick Smaby  
229 Jean Street  
Marquette, Michigan 49855

Dear Mr. Smaby:

The Department of State received a supplemental response to the complaint you filed against Karen Alholm, which concerns an alleged violation of the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, MCL 169.201 *et seq.* A copy of this supplemental response is provided as an enclosure with this letter.

You received notice dated July 25, 2014 of your right to submit a rebuttal statement. Because of this supplemental answer, your rebuttal statement is now due within 10 business days of the date of this letter. Please submit your response to the Bureau of Elections, Richard H. Austin Building, 1<sup>st</sup> Floor, 430 West Allegan Street, Lansing, Michigan 48918.

Sincerely,

A handwritten signature in cursive script that reads "Lori A. Bourbonnais".

Lori A. Bourbonnais  
Bureau of Elections  
Michigan Department of State

c: Karen Alholm

July 24, 2014

Lori A. Bourbonais  
Bureau of Elections  
Michigan Department of State  
Richard H. Austin Bldg. - 1<sup>st</sup> Floor  
430 W. Allegan  
Lansing, MI 48913

2014 JUL 28 PM 3:23

BUREAU OF ELECTIONS  
MI DEPT OF STATE

Dear Ms. Bourbonais:

I believe I may have incorrectly inferred the alleged error in my campaign signage ifromyour letter of July 9, 2014.

Since it now appears to me that the lack of address was the alleged error and not the lack of address when operating as a committee, as I inferred, I am advising you I am placing labels on my signage which includes my name and address.

However, if you have specific recommendations in this matter please contact me as soon as possible. Thank you.

Sincerely,



Karen L. Alholm  
1145 M-28 E.  
Marquette, MI 49855





STATE OF MICHIGAN  
RUTH JOHNSON, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

October 17, 2014

Karen L. Alholm  
1145 M-28 East  
Marquette, Michigan 49855

Dear Ms. Alholm:

The Department of State (Department) has completed its investigation of the complaint filed against you by Nick Smaby, which alleged that you violated section 47(1) of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.247(1), by failing to include a complete and correct identification statement on certain campaign-related material. This letter concerns the disposition of Mr. Smaby's complaint.

The MCFA and corresponding administrative rules require a person who produces printed material that relates to an election to include the phrase "Paid for by [name and address of the person who paid for the item]." MCL 169.247(1), R 169.36(2). A knowing violation constitutes a misdemeanor offense punishable by a fine of up to \$1,000.00, imprisonment for up to 93 days, or both. MCL 169.247(5).

The Act also requires the Department to "endeavor to correct the violation or prevent a further violation by using informal methods [.]" if it finds that "there may be reason to believe that a violation ... has occurred [.]" MCL 169.215(10). The objective of an informal resolution is "to correct the violation or prevent a further violation [.]" Id.

Mr. Smaby filed his complaint on July 1, 2014. You filed a written response on July 23, 2014 and a supplemental response on July 28, 2014. Mr. Smaby did not file a rebuttal statement with the Department.

Mr. Smaby alleged that your committee's address did not appear in the paid-for-by statement on your campaign signs. In support of his complaint, Mr. Smaby provided copies of pictures of signs which stated "KAREN L. ALHOLM for COUNTY COMMISSIONER 6<sup>TH</sup> District [.]". It appeared that your committee's address was omitted from the paid-for-by statement on the signs.

In your supplemental response you indicated that you were placing labels on your signage which includes your name and address.

While the Department believes that the evidence tends to show that your campaign material failed to contain a complete paid-for-by statement prior to your corrective action, section 15(10) of the MCFA requires the Department to "endeavor to correct the violation or prevent a further violation by using informal methods such as a conference, conciliation, or persuasion [.]". The

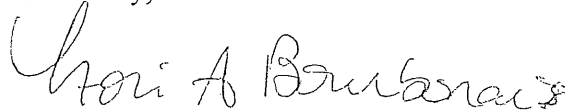
Department is satisfied that you took appropriate corrective measures once the potential violation was brought to your attention.

Additionally, the Department is advising you that section 47(1) and R 169.36(2) require you to print a complete and accurate identification statement on all campaign materials, consisting of the phrase "paid for by" followed by the full name and address of your committee. Note that all printed materials that refer to an election or your candidacy produced in the future must include this identification statement.

Please be advised that this notice has served to remind you of your obligation under the Act to identify your printed matter, and may be used in future proceedings as evidence that tends to establish a knowing violation of the Act. A knowing violation is a misdemeanor offense and may merit referral to the Attorney General for enforcement action. MCL 169.247(5), 215(10).

The Department now considers this matter closed and will take no further action against you at this time.

Sincerely,



Lori A. Bourbonais  
Bureau of Elections  
Michigan Department of State

c: Nick Smaby