



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

April 22, 2016

Amanda Weissert
1437 Winchester
Muskegon, Michigan 49441

Dear Ms. Weissert:

The Department of State (Department) has concluded its investigation of the complaint you filed against Terry Sabo and the Muskegon Future PAC (MFP), concerning alleged violations of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* This letter concerns the disposition of your complaint.

You filed your complaint on December 15, 2016. MFP filed an answer on January 6, 2016 and Mr. Sabo filed an answer on January 8, 2016. You filed a rebuttal statement on January 29, 2016.

The MCFA requires a candidate or the treasurer of a committee to file complete and accurate finance statements and reports. A person who knowingly files an incomplete or inaccurate statement may be subject to a civil fine of up to \$1,000.00. MCL 169.233(10). Additionally, a candidate, treasurer, or record-keeper who "knowingly omits or underreports individual contributions or individual expenditures . . . is subject to a civil fine of not more than \$1,000.00 or the amount of the contributions and expenditures omitted or underreported, whichever is greater." MCL 169.233(11).

Additionally, the MCFA sets limits on contributions that may be made by political committees to local candidates. A political committee may contribute up to \$1,000.00 to a candidate for local office with a district population up to 85,000. MCL 169.252(1)(c). A candidate committee shall not accept a contribution in excess of the limitations. MCL 169.252(7). A knowing violation of section 52 of the Act is a misdemeanor offense. MCL 169.252(9).

You alleged that material published and distributed by the MFP supporting Mr. Sabo was done in coordination with or with the cooperation of Mr. Sabo, making those expenditures in-kind contributions to Mr. Sabo's candidate committee, not independent expenditures.

An independent expenditure is "an expenditure by a person if the expenditure is not made at the direction of, or under the control of, another person and if the expenditure is not a contribution to a committee." MCL 169.209(2).

As evidence in support of your complaint you provided pictures of Mr. Sabo with Zak Anderson, MFP Board Member, and Jason Colella, MFP Treasurer; copies of "materials produced and distributed" by MFP; a printout of the MFP Facebook page; a printout of Mr. Sabo's Facebook

page; a printout of a webpage entitled, "Are You Ready for Sabo [;]" READY4SABO.COM website registration information; and a campaign graphic previously used by Mr. Sabo when he ran for county commissioner.

You asserted that the MFP sent marketing material to residents to promote Mr. Sabo's candidacy and that "[s]ome of this material included personal photographs of the Sabo family that do not seem to be publicly available [.]". You further asserted that the MFP's material used the same "stylized typeface, color scheme and design as material previously produced by Sabo himself, which suggests it was not independently created." You also asserted that Mr. Anderson and William Snyder met with Mr. Sabo while the MFP was active and now both are a part of Mr. Sabo's campaign team.

In his response, Mr. Sabo stated that he was approached by Mr. Anderson and Mr. Snyder to run for State Representative, but that he indicated to Mr. Anderson and Mr. Snyder that he would need time to think it over. Mr. Sabo further stated that while he did continue to talk to Mr. Anderson and Mr. Snyder during the time the MFP was active and before he decided to run as a candidate, Mr. Anderson and Mr. Snyder had "stressed to [him] early on that [they] could not talk about [his] potential candidacy now because of [MFP]." Mr. Sabo admits that he became a candidate for State Representative in early December of 2015.

In its response, MFP stated that the originators of MFP met and decided that Mr. Sabo "was by far the best candidate to run for Michigan's 92nd State House District [;]" and decided that they would create a campaign to draft him to run. MFP further stated that it "independently produced a website, multiple campaign memes, and created an altered version of Terry Sabo's previous campaign logo." MFP admits that it "sent out a mass email to announce the launch" of its campaign on May 18, 2015. MFP also admits to creating a Facebook page which contained regular updates.

MFP provided evidence that the MFP paid \$121.00 for a website, and MFP admitted that up to \$200.00 of labor was donated. MFP asserted that "[t]here was no published literature, mailers, or any other kind of expenditures." No evidence has been provided to the contrary.

MFP also asserts that the photos used by MFP in its memes and logo were obtained from online and public sources. No evidence has been provided to the contrary. The Department further notes that at least one picture is readily available on Terry Sabo's Facebook page and one picture appears to be taken at a public event.

Finally, MFP asserts that Mr. Sabo did not become a candidate for State Representative until 3 months after the Ready for Sabo campaign ended all activities. The Department notes that the screen shot provided by you of the Ready for Sabo Facebook page supports this assertion as it shows the last post made by Ready for Sabo to the page was made on June 22, 2015. Additionally, MFP has submitted evidence that tends to support a conclusion that the last monthly charge for the Ready for Sabo website occurred on August 17, 2015. Both dates are well before Mr. Sabo became a candidate. No evidence has been provided to the contrary.

The Department has carefully reviewed the evidence provided and concludes that the activity by the MFP did not give rise to in-kind contributions to Mr. Sabo. The evidence provided supports

a reason to believe that MFP produced its website, Facebook page, and memes with photos and information available to the general public, and not under the direction or control of Mr. Sabo.

Because the evidence provided supports a conclusion that MFP did not make in-kind contributions to Mr. Sabo, your complaint is dismissed.

Sincerely,



Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Terry Sabo
Zak Anderson
Jason Colella