



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

August 5, 2016

Mary Beth Hodges
1122 11th Street
Lake Linden, Michigan 49945

Dear Ms. Hodges:

The Department of State (Department) received a formal complaint filed by Jennifer Lorenz against you, alleging that you violated the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* The investigation and resolution of this complaint is governed by section 15 of the Act and the corresponding administrative rules, R 169.51 *et seq.* A copy of the complaint and supporting documentation is enclosed 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(6).

Ms. Lorenz alleges that your campaign signs failed to include a paid-for-by statement. In support of her complaint, Ms. Lorenz provided a picture of a sign which states, "AUG 2ND – ELECT MARY BETH HODGES [.]". There does not appear to be a paid-for-by statement on the sign.

The Department notes that Ms. Lorenz also alleged that you failed to file a required amended Statement of Organization because you exceeded the \$1,000.00 threshold to qualify for the reporting waiver. However, as stated on the Statement of Organization form, "the Reporting Waiver will be automatically lost if the committee exceeds the \$1,000 threshold and all required campaign statements must be filed." There is no requirement that an amended Statement of Organization be filed. However, a committee that exceeds the waiver threshold must file the next required report due after the threshold is exceeded. MCL 169.233(6).

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 this complaint, you are required to do so within 15 business days of the date of this letter. 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, 1st Floor, 430 West

Mary Beth Hodges
August 5, 2016
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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 answer will be provided to Ms. Lorenz, 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 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 penalties provided in section 47(6) of the Act.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori A. Bourbonais".

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Jennifer Lorenz

Campaign Finance Complaint Form
Michigan Department of State

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.*). All information on the form must be provided along with an original signature and evidence. Please **print or type all information.**

I allege that the MCFA was violated as follows:

Section 1. Complainant		
Your Name <u>Jennifer Lorenz</u>		Daytime Telephone Number <u>(906) 482-1150</u>
Mailing Address <u>32050 Tapiola Rd.</u>		
City <u>Pellue</u>	State <u>MI</u>	Zip <u>49958</u>

Section 2. Alleged Violator		
Name <u>Mary Beth Hodges</u>		
Mailing Address <u>1122 11th Street</u>		
City <u>Lake Linden</u>	State <u>MI</u>	Zip <u>49945</u>

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

Section(s) of the MCFA violated:

169.247 Sec. 47(1), 169.233(6)

Explain how those sections were violated:

Failure to have "Paid for by Committee to Elect" on her
political signs as of 7/27/16. Also, Failure to Amend
her Statement of Organization for exceeding \$1,000.00.

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

See attached photos from 7/27/16-front + back.
See attached form filed with me (County Clerk).

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

Jennifer Lorenz
Signature of Complainant

7/28/16
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:

Failure to have political signs have necessary "Paid for by the Committee to Elect". Also, failure to amend her Statement of Organization for exceeding \$1,000.00. Ms. Hedges contacted the clerk's office on 7/5/16 regarding this matter + on 7/6/16 again, however, she still has failed to bring in her Amended form. She spoke with Deputy Clerk, Susan Lewis.

X

Jennifer Lorenz
Signature of Complainant

7/28/16
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 with an **original signature and evidence** to the following address:

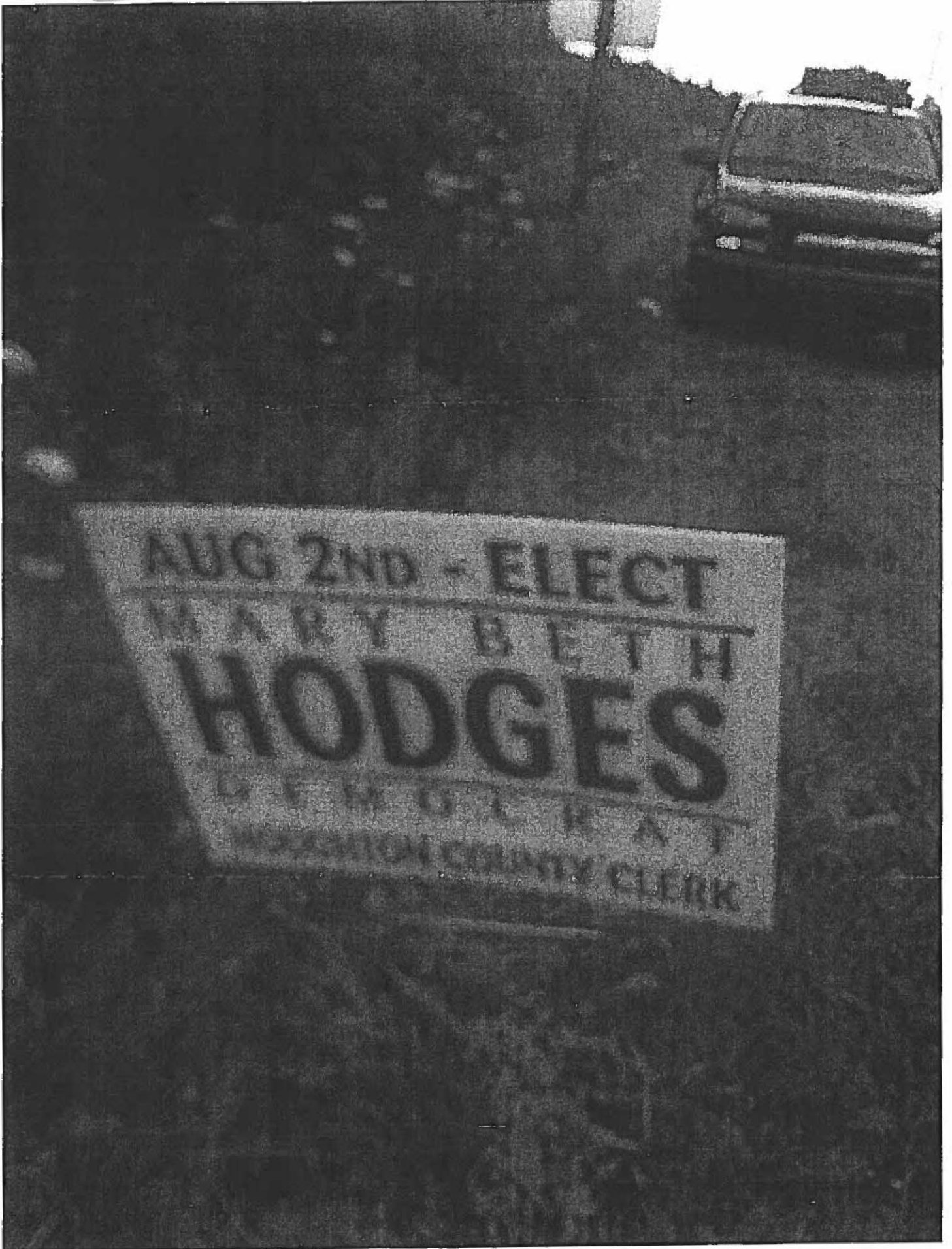
Michigan Department of State
Bureau of Elections
Richard H. Austin Building – 1st Floor
430 West Allegan Street
Lansing, Michigan 48918



MICHIGAN DEPARTMENT OF STATE
BUREAU OF ELECTIONS

ORIGINAL OR AMENDED
STATEMENT OF ORGANIZATION FORM FOR CANDIDATE COMMITTEES

1. Committee ID #: 51338		*2. Type of Filing: <input checked="" type="checkbox"/> Original: <input type="checkbox"/> Amendment to items:		Eff. Date: 04/03/2016
*3. Full Name of Committee (must include Candidate's first and last name): Mary Beth Hodges for County Clerk				
*4a. Candidate Full Name: Last Name Hodges		First Name Mary Beth	M.I.	
*4b. Political Party (if applicable): Democratic Party		*4c. County of Residence: HOUGHTON		
*4d. Office Sought: Clerk		*4e. District/Circuit # or Jurisdiction: 97th / 12th		
*5. Date Committee was Formed: 04/03/2016				
*6a. Committee Phone: (906) 281-3837		6b. Committee Fax #:		
6c. Committee Email Address: hodges_mb@sbcglobal.net		6d. Committee Website Address:		
*7a. Complete Committee Mailing Address (May be PO Box): 1122 11th Street, Lake Linden, MI 49945				
*7b. Complete Committee Street Address (May not be PO Box): 1122 11th Street, Lake Linden, MI 49945				
*8. Treasurer Name and Complete Address: Kimberly A. Hodges - 860 "F" Street, Lake Linden, MI 49945				
Phone #: (906) 231-4204		Email Address: kimba0038@gmail.com		
9. Designated Record Keeper Name and Complete Address:				
Phone #:		Email Address:		
*10. REPORTING WAIVER REQUEST: <input checked="" 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 <u>election</u> . I/We understand that if the committee does not spend or received in excess of \$1,000 in an <u>election</u> , 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 <u>election</u> . 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 <u>election</u> . 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): Range Bank, 100 Calumet Street, Lake Linden, MI 49945 Secondary Depository (name and address):				
12. <input type="checkbox"/> 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: Mary Beth Hodges Date: 04/03/2016		*Current Treasurer: Kimberly Hodges Date: 04/03/2016		
Designated Record Keeper (Required only if filing electronically)		Date:		



2nd side

20160727_143052.jpg Main Street - Hurontown

AND TWO ELECT
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HODGES
HODGES
HODGES



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

August 24, 2016

Jennifer Lorenz
32050 Tapiola Road
Pelkie, Michigan 49958

Dear Ms. Lorenz:

The Department of State received a response to the complaint you filed against Mary Beth Hodges, 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, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918.

Sincerely,

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

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Mary Beth Hodges

Mary Beth Hodges
1122 11th Street
Lake Linden, Michigan 49945

August 10, 2016

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

Attention: Ms. Lori A. Bourbonais

Dear Ms. Bourbonais:

I will attempt to answer all allegations submitted against me in my primary run for the position of Houghton County Clerk by the incumbent Houghton County Clerk Jennifer Lorenz.

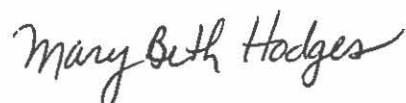
1) I know that ignorance of the law is not an excuse from the law but in the matter of my campaign signs not having "Paid for by the committee named "Mary Beth Hodges for County Clerk" and my address" I was ignorant of the law. When I learned on the eve of July 27, 2016 of my error, on July 28 I took an emergency vacation day at work and I called the Bureau of Elections/Campaign Finance Office. I spoke to a very helpful person, named Irene. She asked if I knowingly omitted the information and my response was a definitive "No". She recommended a resolution was to show good faith, and put the "paid for by" on my signs. I immediately had stickers printed and raced throughout the county to apply the stickers to the majority of my 100 campaign signs. This all took place on July 28, 2016. I know this ignorance of the law does not excuse my error but I did try to correct my mistake at once.

2) With Houghton County Clerk Lorenz's allegation that I "failed to file a required amended Statement of Organization" I will note that your August 5, 2016 letter it states "*There is not requirement that an amended Statement of Organization be filed.*" I will gladly submit an amended Statement of Organization to Houghton County Clerk Lorenz if it will placate her.

3) As to the requirement to file the next required report due after the \$ 1,000 threshold was surpassed, I will send in the final report. The report filed so far covered until June 30, 2016. The \$1,000 threshold was passed in July and amounted to \$468.30 and will be filed in the next few days.

I apologize for my ignorance of the law and wish to correct all deficiencies at once. Thank you for your diligence and attentiveness to my response.

Sincerely,



Mary Beth Hodges

Enclosure

Paid for by
MaryBeth Hodges for
County Clerk Candidate.

G
2ND - ELEC
ARY B E T H
HODGES
DEMOCRAT
HOUGHTON COUNTY CLERK



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

September 26, 2016

Mary Beth Hodges
1122 11th Street
Lake Linden, Michigan 49945

Dear Ms. Hodges:

This letter concerns the complaint that was recently filed against you by Jennifer Lorenz, which relates to a purported violation of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* The Department of State has received a rebuttal statement from the complainant, a copy of which is enclosed with this letter.

Section 15(10) of the MCFA, MCL 169.215(10), requires the Department to determine within 45 business days from the receipt of the rebuttal statement whether there is a reason to believe that a violation of the Act has occurred. Ms. Lorenz's complaint remains under investigation at this time. At the conclusion of the review, all parties will receive written notice of the outcome of the complaint.

Sincerely,

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

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Jennifer Lorenz

2016 SEP 15 PM 3:51
ELECTIONS/INLET SEAL

September 10, 2016

Department of State
Bureau of Elections
Attn: Lori A. Bourboinais
Richard H. Austin Building, 1st Floor
430 W. Allegan
Lansing, MI 48918

Dear Ms. Boubonais:

I received your letter the night of 9/8/16.

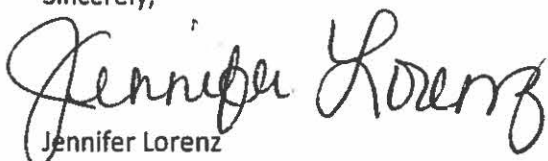
In response to Ms. Hodges letter. I clearly understand what Ms. Hodge's reasons were. Many citizens have stated to me that there were no labels on some of her signs even up to election day on August 2nd. However, seeing the proof on her attachment to her letter is enough proof to me as I did not go back out to examine any of her signs prior to the election.

In regards to the failure to file the Amended Statement of Organization when she exceeded the \$1,000.00. I want to document that an employee of the Bureau of Elections said that it was my "job" to report this failure, and to file the appropriate paperwork with the Bureau of Election. So, if it is NOT necessary for her to file it with her County Clerk, then I sincerely apologize to Ms. Hodges for being instructed incorrectly!

I believe this resolves all matters.

Thank you!

Sincerely,


Jennifer Lorenz



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

January 23, 2017

Mary Beth Hodges
1122 11th Street
Lake Linden, Michigan 49945

Dear Ms. Hodges:

The Department of State (Department) has completed its investigation of the complaint filed against you by Jennifer Lorenz, 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 Ms. Lorenz'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(6).

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.*

Ms. Lorenz filed her complaint on August 4, 2016, and you filed a written response on August 23, 2016. Ms. Lorenz filed a rebuttal statement with the Department on September 15, 2016.

Ms. Lorenz alleged that you failed to include a paid-for-by statement on your campaign signs. In support of her complaint, Ms. Lorenz provided copies of pictures of a sign which stated, "AUG 2nd - ELECT MARY BETH HODGES[.]" There did not appear to be a paid-for-by statement on the sign.

In your response you admitted that your signs originally were not in compliance with the Act, but once the issue was brought to your attention you printed stickers with a paid-for-by statement and affixed the stickers to each of your signs. You provided a picture of your campaign sign with the sticker affixed.

While the Department believes that the evidence tends to show that your original campaign signs failed to contain a paid-for-by statement, 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

Mary Beth Hodges
January 23, 2017
Page 2

appropriate corrective measures in an attempt to bring your campaign material into compliance with the MCFA. Please note, however, that a complete paid-for-by statement must also include your committee's address.

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(6), 215(10).

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

Sincerely,

A handwritten signature in black ink that reads "Lori A. Bourbonais". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Jennifer Lorenz