## Colorado Campaign and Political Finance

Laws & Filing Requirements







#### **Disclaimer**

The Colorado Secretary of State's office does not provide legal advice.

This training was created for reference purposes only.

Information contained in the training is not a substitute for legal advice and actual knowledge of campaign finance laws and regulations.



### Resources

- Campaign Finance page on Secretary of State's (SOS) website
- TRACER (Transparency in Contribution and Expenditure Reporting) website
- Colorado Campaign and Political Finance Manual available on TRACER and the SOS website (and includes the laws and rules)
  - Article XXVIII of the Colorado Constitution,
  - Title 1, Article 45 of the Colorado Revised Statute (a.k.a. the Fair Campaign Practices Act), and
  - Rules Concerning Campaign and Political Finance
- Training Opportunities <u>Click here to visit the training page</u>
  - Online eLearnings (CPF 101)
  - TRACER Webinars (<u>Learn how to use TRACER</u>)
  - <u>Lawn Chair Chats</u> Informal discussions, via Zoom, to discuss Colorado's Campaign Finance laws/rules and TRACER (functions and demonstrations).
- Campaign Finance Support Help Desk
  - Phone: 303-894-2200 (Dial 3, then 1)
  - Email: CPFhelp@coloradosos.gov



## **Topics for Discussion**

- Standalone candidate v. candidate committee
- Disclosure Reports & filing schedules
- Contributions, Expenditures
- Disclaimers / Paid for by Statements
- Penalties, Waivers, & Complaints
- Closing / Terminating a committee
- TRACER





## You Become a Candidate When

- You publicly announce an intention to seek election to public office
   And then
- Receive a contribution or make an expenditure on behalf of the candidacy

## Within 10 calendar days of becoming a candidate you must file a Candidate Affidavit

#### Public Announcement Definition (CPF Rule 1.20)

- Registering a candidate committee, or
- Announcing an intention to seek public office through:
  - A speech, advertisement, or other communication reported or appearing in public media, or
  - A statement made in any place accessible to the public, or
  - A statement made in a manner that a reasonable person would expect to become public.

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# Standalone Candidate vs. Candidate Committee

#### **Standalone Candidate**

- A candidate who is <u>self-funding</u> their candidacy; not accepting contributions of any kind from anyone.
- Files disclosure reports to show their expenditures for the campaign.
- Only required to file reports for periods where expenditures take place.

#### **Candidate Committee**

- A candidate who is <u>accepting</u> <u>contributions</u> to help fund their campaign.
- Files disclosure reports to show their contributions and expenditures.
- Must register prior to accepting any type of contribution.
- Once registered all reporting (contributions/expenditures) is done under the committee.
- Required to file all reports regardless of the level of activity.

Note: DEOs who disqualify a candidate under 1-45-110(3), C.R.S. must provide proper and timely notification.



### **Disclosure Report Due Dates**

Legislation passed in 2018 (HB18-1047) increased the frequency of disclosure reports for school board candidates/committees. A frequent schedule is required during years when the candidate's office is on the ballot. During years when the candidate's office is not on the ballot, reports are due quarterly.

2023 Report Due Dates			
May 1, 2023 (Mon.)	September 18, 2023 (Mon.)		
June 1, 2023 (Thur.)	October 3, 2023 (Tue.)	27	
July 3, 2023 (Mon.)	October 16, 2023 (Mon.)		
August 1, 2023 (Tue.)	October 30, 2023 (Mon.)		
September 5, 2023 (Tue.)	December 12, 2023 (Tue.)		

Reports are filed electronically using TRACER and are timely if filed **before midnight** on the due date.

#### **Other Important Dates:**

- September 8, 2023 Starts the 60-day period before the Election for Biennial School Electioneering Communication and concludes on November 6, 2023
- October 8, 2023 Starts the 30-day period before the Election for 24 Hour Major Contributor reports and concludes on November 6, 2023



### **Supplemental Information / Reports**

## Biennial School Electioneering Communication

Communications referring to one or more candidates for school board and are broadcasted, printed, mailed, delivered, or otherwise distributed within 60 days before the election.

The communication may or may not use express advocacy.

When an expenditure is entered and flagged by a filer as meeting the criteria, TRACER prompts filer to provide additional details which includes the name(s) of the candidate(s) mentioned in the communication and the date(s) and method of the communication.

## 24 Hour Notice of Major Contributor Report

A Major Contribution is a one-time contribution of \$1,000 or more received within 30 days before the Regular Biennial School election.

Note: This includes contributions or loans a candidate gives to their own candidate committee.

TRACER creates a report once a qualifying contribution has been entered/saved. These reports are due within 24 hours of the recorded received date.

Note: If an incorrect contribution date is entered, call the help desk for assistance in correcting. Updating a date on a major contribution entry may create multiple major contributor reports.



### **Contributions**

## Prohibited Contributors / Contributions

- Corporations (profit & non-profit)
- Labor Organizations / Unions
- Foreign Citizens
- Foreign Governments
- Foreign Corporations
- Issue Committees
- Small-Scale Issue Committees
- Independent Expenditure
   Committees
- Other Candidate Committees
- Anonymous sources contributions where the identity of the contributor is unknown or not all the required information is provided

## Limited Liability Company (LLC) Contributions

- LLC contributions are allowed if
  - All the LLC members are permissible contributors.
  - The LLC's shares are NOT publicly traded.
  - The LLC does not file their taxes like a corporation.
  - See the training manual for more details on LLC contributions and how to report them.
- LLC contributions must include an affirmation form that the LLC knows the contribution is permissible (see website for a sample form)
- Must be itemized on report regardless of the amount contributed

# Contribution Limits - School District Director Candidate Committees

House Bill 22-1060 created contribution limits for School Board District Directors; Signed by the Governor on 04-13-2022; **Effective July 1, 2022** 

Type of Contributor/Donor	Contribution/Donation Limit		
<ul> <li>Individual (Natural Person)</li> <li>Political Committee</li> <li>LLC* or Business Entity         <ul> <li>(other than a corporation)</li> </ul> </li> </ul>	\$2,500 For the entire Election cycle		
• Federal PAC  Note: Other permissible contributors are treated like an Individual for contribution limits.	Note: There is no limit for how much a candidate may contribute/loan to their own candidate committee.		
Small Donor Committee	\$25,000 For the entire Election cycle		
Political Party	\$2,500  For the entire Election cycle		

<sup>\*</sup>Review requirements for LLC's in 1-45-103.7, C.R.S.



### **Disclosure Requirements**

#### **Contributions**

- Must report all including those under \$20 (a.k.a Non-Itemized)
- \$20 or more (aggregated or one-time), within a reporting period, must be itemized with:
  - Contributor's name & address, and
  - Occupation & Employer, if from a natural person & the contribution is \$100 or more
- No cash or coin contributions over \$100
- Use Fair Market Value to report non-monetary (in-kind) contributions
- Anonymous contributions may not be kept and must be donated to an IRS recognized charity or sent to the State Treasurer's office within 30 days of receipt. (CPF Rule 10.8)
- Select "Candidate" as the contributor type when a candidate contributes/loans to their own committee

#### **Expenditures**

- Must report all including those under \$20 (a.k.a Non-Itemized)
- \$20 or more (aggregated or one-time), within a reporting period, must be itemized
  - Itemized means listing:
    - Name & address to whom payment was made
    - Purpose of expenditure
- No cash or coin expenditures over \$100
- An expenditure is made when:
  - The actual spending occurs OR
  - A contractual agreement has been made and the amount is known - <u>Whichever</u> <u>comes first</u>
- The law does not provide a list of permissible or prohibited types of expenditures. Funds can't be used for personal purposes except as outline by 1-45-103.7(6.5), C.R.S. by candidates for reasonable and necessary child / dependent care expenses.



## Sign Placement

#### Sign Placement - check with:

- The city's / county's zoning or code enforcement office
- CDOT (Colorado Department of Transportation)
- HOA (Homeowner Association)

Vote for X candidate for Y Office

Paid for by X candidate committee; Registered Agent



John Doe

**Note:** Colorado's Campaign Finance Laws/Rules do not address sign placement locations or time frames when signs may be put up and/or must be removed.



## "Paid For By" Statements

# THE SECRETARY OF STATE'S OFFICE SUGGESTS THAT <u>ALL</u> COMMUNICATIONS CONTAIN A DISCLAIMER / PAID FOR BY STATEMENT.

## Disclaimer / "Paid for By" Statements are required for the following types of communications:

Broadcast & Non-Broadcast	Placed on a website
Mailed	Steaming media service
Printed	Online forum for a fee
Delivered	Otherwise distributed

Did you know about, or have you read through the Secretary of State's <u>Guidance on Disclaimer</u> <u>Statements</u> document?

No? Then then click here or visit the Campaign Finance page of the SOS website.

#### TV & Radio Ads / "Paid for By" Statements

Must comply with the Federal Communications Commission (FCC)
 Sponsorship Identification or "Sponsored by" regulations. Click <u>here</u> to visit the FCC website.

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## **Electioneering Communications**

 Spends \$1,000 or more, in the aggregate during a calendar year, on Electioneering Communications

## **Independent Expenditures**

Spends in excess of \$1,000 on an Independent Expenditure Communication in the calendar year

## **Other Communications**

Spend in excess of \$1,000 on a communication that must be disclosed under Article XXVIII of the Colorado Constitution or the Fair Campaign Practices Act – C.R.S. 1-45-108.3(1)



# "Paid For By" Statements / Disclaimer Requirements

## Non-Broadcast Communications including Online Communications

- Must appear in a manner that is clear, conspicuous, and is clearly readable,
- A statement that "The communication has been paid for by (full name of the person paying for the communication)",
- Name of the natural person who is the registered agent if the person that paid for the communication is not a natural person,
- For an Independent Expenditure, a specific statement that the communication is not authorized by any candidate,
- Font is no less than 15 percent of the largest font used in the communication. If 15 percent is less than 8-point font, then the font must be 8-point font.







# "Paid For By" Statements / Disclaimer Requirements

## Broadcast Communications including Online Video and Audio

- Must comply with the Federal Communications Commission (FCC) for size, duration and placement. Click <u>here</u> to visit the FCC website for their requirements.
- A statement that "The communication has been paid for by (full name of the person paying for the communication)"

















# "Paid For By" Statements / Disclaimer Requirements Continued

#### **Electronic or Online Communications**

If impracticable to include a disclaimer on an electronic or online communication, the required disclaimer must be available by means of a direct link from the communication to a web page or application screen containing the disclaimer statement.

#### Direct link disclaimer requirements:

- Same as the Non-Broadcast communication requirements for size and content,
- The information on the direct link must be clearly and conspicuously displayed and must be immediately apparent on the screen without receiving or viewing any additional material.

# "Paid For By" Statements / Disclaimer Requirements Continued

### Campaign and Political Finance Rule 22

A disclaimer / paid for by statement does not apply to bumper stickers, pins, buttons, pens, and similar small items upon which the disclaimer cannot be reasonably printed.











## **Penalties / Waiver Requests**

#### **Imposed Penalties**

Penalties of \$50 per day, including weekends and holidays, are imposed every day a report is late.

#### **Appealing Penalties**

Written appeals may be submitted to the Secretary of State's office through your TRACER account or by email. The request is due no later than 30 days after the date the notification of penalty was sent.



Penalty may be reduced or waived if good cause is shown – See CPF

Rule 18.1 for details.





## **Campaign Finance Complaints**

- Complaint Process is established by Colorado law 1-45-111.7 C.R.S.
- Anyone who believes a violation of Colorado CPF law has occurred can file a complaint
- Complaints cannot be filed anonymously
- Complaints are public information
- Complainants are not a party to the proceedings
- Complaints may be initiated by the Election Division's Complaint and Enforcement unit
  - Note: The Complaint and Enforcement unit is separate and apart from the Campaign Finance Compliance/Guidance team.
     Enforcement's contact information:
     CPFcomplaints@coloradosos.gov or 303-894-2200 ext. 6338.

## Campaign Finance Complaints Continued

#### **CPF Complaints Must:**

- Be filed on the Campaign and Political Finance Complaint form
- Identify a complainant and a respondent
- Be filed within 180 days of when you knew or should have known of the alleged violation
- Allege one or more violations of campaign finance regulations or law
- State sufficient facts to support a legal and factual basis for the complaint



# Campaign Finance Complaints Continued

- Complaint process & outcomes:
  - Cure
  - Investigation
  - Dismissal
  - Administrative Hearing
- Administrative Hearings can result in a monetary penalty
- Complaint process is detailed in 1-45-111.7 C.R.S.

Note: Please review and address TRACER audit warnings when filing as they can be the basis for the Election Division's Campaign Finance Enforcement Team to initiate an enforcement action(s).



# **Unexpended Funds / Termination**





## **QUESTIONS**



## **Thank You**







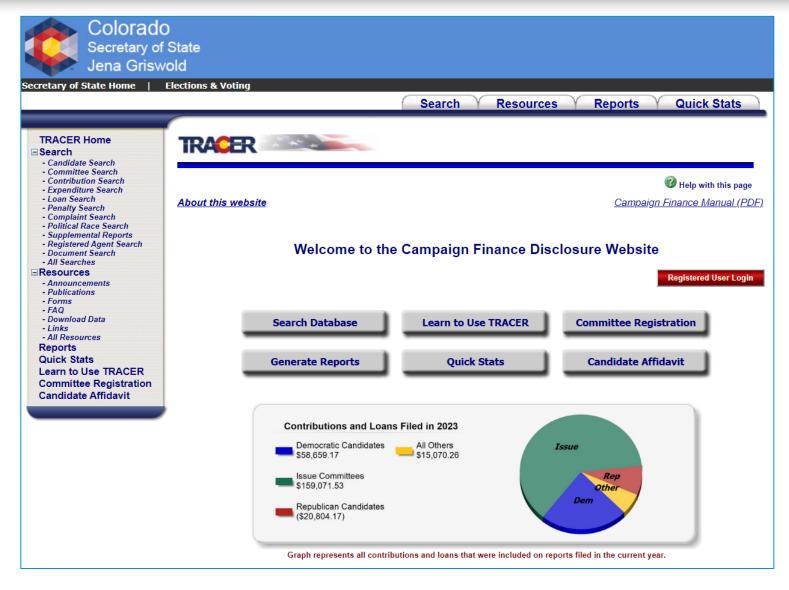
## **Additional Resources**

State	Federal
State of Colorado http://www.colorado.gov/	Federal Election Commission (FEC) <a href="https://www.fec.gov">www.fec.gov</a>
Colorado General Assembly www.leg.colorado.gov	Federal Communications Commission (FCC) https://www.fcc.gov/media/policy/political -programming
The Independent Ethics Commission www.colorado.gov/pacific/iec	Internal Revenue Service (IRS)  www.irs.gov
LexisNexis by Colorado Legal Resources <a href="http://www.lexisnexis.com/hottopics/colorado">http://www.lexisnexis.com/hottopics/colorado</a> <a href="http://www.lexisnexis.com/hottopics/colorado">http://www.lexisnexis.com/hottopics/colorado</a>	U.S. Office of Special Counsel – Hatch Act Overview <a href="https://osc.gov/Services/Pages/HatchAct">https://osc.gov/Services/Pages/HatchAct</a> <a href="https://osc.gov/Services/Pages/HatchAct">.aspx</a>



## **TRACER Review - HOME PAGE**



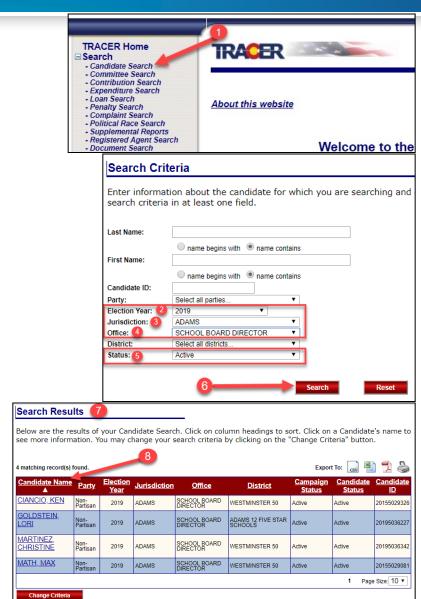




### **Candidate Affidavit Searches**

This search allows you to see all who have filed a candidate affidavit in TRACER.

- Click Candidate Search
- 2. Election Year field Select 2023
- 3. Jurisdiction field: From the dropdown list choose the desired county
  (Tip: use the county where the Admin.
  Offices for the School District are located)
- Office field: Select School Board Director
- 5. Status field: Defaults to Active (may change to Select all Status if needed)
- 6. Click on the red Search button
- 7. Search Results are displayed (or an error message appears if no results are found)
- 8. Click on a candidate's name to see detailed information about them and their filings





## Registered User Login Page

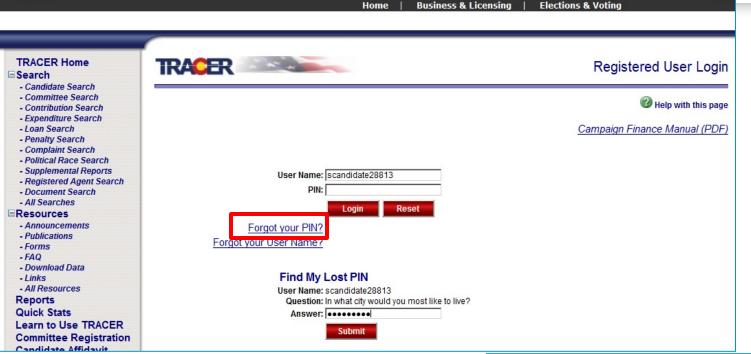


Login page after setting up username, PIN, and security question / answer.

TRACER will take you directly to your candidate workspace unless you have a committee, in which case you'll need to select the committee.



# Registered User Login Page – Forgot Your PIN



- 1. Enter Username
- Enter PIN (password)
- 3. Click Login button

Forgot your Username or PIN? No problem.

After initially setting up your login information you may use one of the "Forgot" links. You will need to know the answer to the security question.

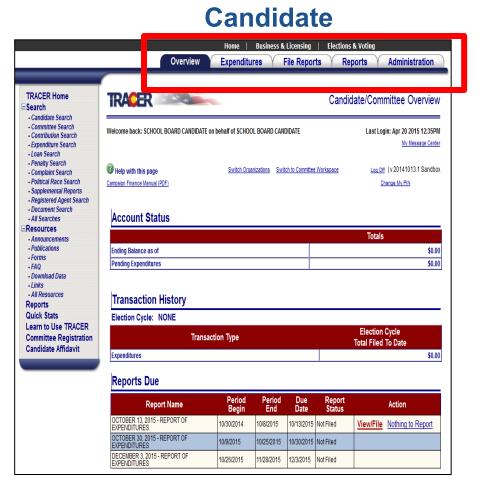
- Forgot your PIN? will show your PIN on screen
- Forgot your Username? will send you your username by email (to the email you used to register)





## **Candidate or Committee Workspace**

The difference between a candidate's and a committee's workspace is the committees has a Contributions tab at the top. Enter all transactions, using the tabs at the top, **before** attempting to file a report. Once a committee is registered, reporting is done through the committee.



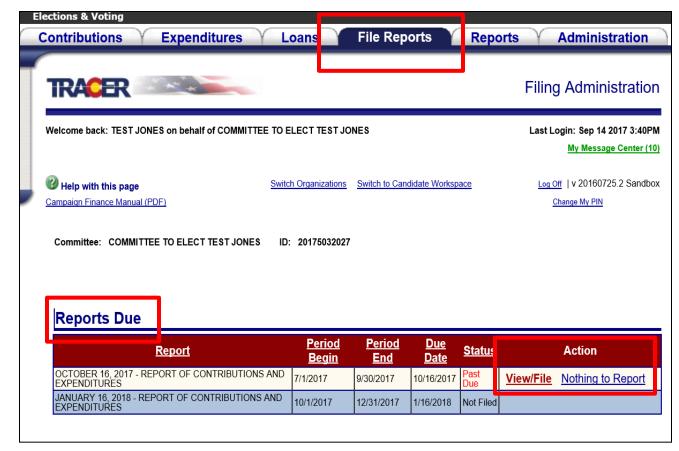
#### Committee Y Expenditures Y Loans Y File Reports Y Reports Y Administration INHULK Search - Candidate Search - Committee Search Welcome back: SCHOOL BOARD CANDIDATE on behalf of FRIENDS OF SCHOOL BOARD CANDIDATE FOR Last Login: Apr 20 2015 12:35PM - Contribution Search BOULDER VALLEY SCHOOLS Expenditure Search My Message Center - Loan Search - Penalty Search - Complaint Search Help with this page Log Off | v 20141013.1 Sandbox Switch Organizations Switch to Candidate Workspace - Political Race Search Campaign Finance Manual (PDF) Change My PIN - Supplemental Reports - Registered Agent Search - Document Search All Searches **Account Status** Resources Announcements - Publications Ending Balance as of - Forms - FAQ Pending Contributions \$0.00 - Download Data Pendina Expenditures - Links All Resources Reports **Quick Stats** Transaction History Learn to Use TRACER Committee Registration Election Cycle: NONE Candidate Affidavit **Election Cycle** Transaction Type Total Filed To Date Contributions \$0.00 Loans \$0.00 \$0.00 Expenditures Loan Payments Reports Due Period End Due Report Name OCTOBER 13, 2015 - REPORT OF CONTRIBUTIONS AND EXPENDITURES 10/13/2015 Not Filed 10/30/2014 0/8/2015 View/File Nothing to Report OCTOBER 30, 2015 - REPORT OF 0/30/2015 Not Filed 10/9/2015 DECEMBER 3, 2015 - REPORT OF 10/26/2015 1/28/2015 12/3/2015 Not Filed CONTRIBUTIONS AND EXPENDITURE



## File Reports Tab

After entering all transactions go to the File Reports tab, scroll past the *Filing History* section and down to the *Reports Due* section, and locate the required report. This takes you to the File Reports page where you'll have an opportunity to review the report before filing.

Whether filing as a candidate or committee, use the "View/File" link to submit a report with activity or if you have no activity, use the "Nothing to Report" link.





### File Report Page

Home

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Use TRACER

Affidavit

e Registration

Overview Contributions

BOULDER VALLEY SCHOOLS

Help with this page

Campaign Finance Manual (PDF)

Is this a Termination Report? No ○ Yes

**Detailed Summary** 

an ending monetary balance of zero (line 5).

SCHOOLS 1234 MAIN ST.

This is a regularly scheduled filing.

BOULDER, CO 80000

**Candidate Committee** 

SCHOOL BOARD CANDIDATE

File Report of Contributions and Expenditures

Committee: FRIENDS OF SCHOOL BOARD CANDIDATE FOR BOULDER VALLEY

Reporting Period Covered: 10/30/2014 through 10/08/2015

#### **Candidate**

#### Committee

Y Expenditures Y Loans

Welcome back: SCHOOL BOARD CANDIDATE on behalf of FRIENDS OF SCHOOL BOARD CANDIDATE FOR

File Reports

Financial

Institution

Committee SOS ID:

Committee Registered Agent:

Switch Organizations Switch to Candidate Workspace

Before continuing, please indicate if you intend for this to be a Termination Report. It is required that the report have

Reports Administration

Last Login: Apr 20 2015 12:35PM

Log Off | v 20141013.1 Sandbox

ABC TEST BANK 999 MT. ROAD

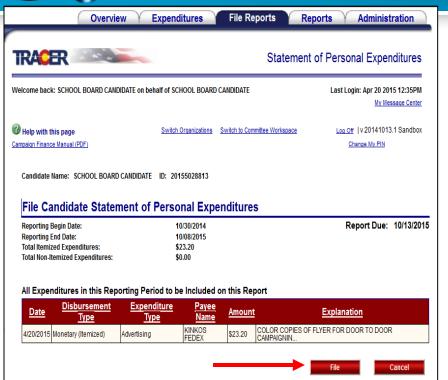
JANE DOE

Report Due: 10/13/2015

BOULDER CO 80000 20155028814

My Message Center

File Report of Contributions and Expenditures



0.00 Period (monetary only 2. Total Monetary Contributions (Line 11) netary Contributions plus Amount (Lines 1 + 2) \$0.00 Message from webpage netary Expenditures (Line 18) \$0.00 Hand at End of Reporting Period 0.00 itures 00.00 Total of Loan Balances Do you really want to FILE this report? oenditures port Details temized Contributions temized Expenditures Cancel es (Total L<sup>Loans</sup> 19. Total Coordinated Non-Monetary Exp 20. Total Expenditures dge or belief that all contributions ntributions or donations received in

File

anization, are from permissible sources.

1. Funds on Hand at Beginning of Reporting 6. Itemized Monetary Contributions \$0.00 7. Non-Itemized Monetary Contributions \$0.00 8. Loans Received \$0.00 9. Total of Other Receipts \$0.00 10. Returned Contributions \$0.00 11. Total Monetary Contributions (Total Lines 6-10) \$0.00 12. Total Non-Monetary Contributions \$0.00 \$0.00 13. Total Contributions 14. Itemized Monetary Expenditures \$0.00 15. Non-Itemized Monetary Expenditures \$0.00 16. Loan Repayments Made \$0.00 17. Returned Expenditures \$0.00 18. Total Monetary Expenditures (Total Lines 14-17) \$0.00 19. Total Coordinated Non-Monetary Expenditures \$0.00 20. Total Expenditures \$0.00 Cancel

Click on *File* to submit the report. TRACER may ask if you really want to file the report click OK to confirm the action

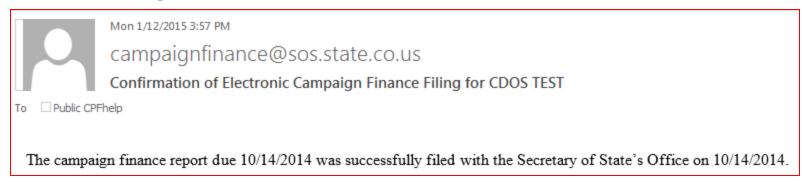


## Filing Complete

 Click the red Finished button once you get the onscreen confirmation of filing.



You also get an email confirmation



 Don't be late – we don't want to impose late filing penalties – call or email us for help.



## TRACER - Update Contact Information

Go to the

Administration tab

to update your

contact information

including email

addresses.

TRACER sends
email notices when
a report is filed and
when an upcoming
report is due;
therefore, please
keep your email
address current.



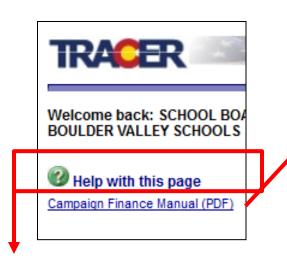
Committee			Upda	te Registration	Update Email
Key:	20195036199	Туре:		Candidate Com	mittee
Name:	KRIS' TEST CANDIDATE COMMITTEE - SENATE Active	Jurisdictio	on:	STATEWIDE	
Address:	1234 MAIN	Party:		Republican	
		Office:		Colorado Senat	e
City, State, Zip:	DENVER CO 80000	District:		Senate District (	04
Telephone:	303-894-2200	Special Di	strict:	No	
Email:	FCPA@SOS.STATE.CO.US				
Alternate Email 1:					
Alternate Email 2:					

Committee Email			
KRIS' TEST CANDIDATE	COMMITTEE - SENATE		Return
Registered Agent Email KRIS AGENT: Additional Email 1: Additional Email 2:  Password Security E	notreal@SOS.STATE.CO.US		
	sed to send personal password re	quests only.	
Personal Password Security Email for KRIS AGENT:	notreal@SOS.STATE.CO.US		
			Save Cancel



#### **TRACER Resources**

"Help with this page" link



#### Help page results

#### Viewing a Candidate or Committee

You can access the Candidate/Committee Overview page to view the account status, transaction his reports due, file a report that is due, add or modify a penalty or waiver, and request a waiver.

#### Tasks

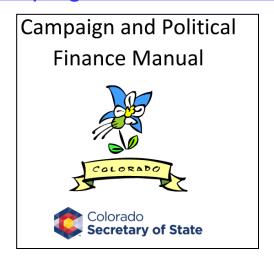
To access the Candidate/Committee Overview page:

1. Perform the steps for Searching for a Candidate or Committee

The Candidate/Committee Search Results page is displayed.

2. Click the link in the Candidate/Committee Name column of the data grid for the Candidate

Campaign Finance Manual



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Now in an MP4 file for better viewing

