

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 24-0960.01 Nicole Myers x4326

HOUSE BILL 24-1283

HOUSE SPONSORSHIP

Willford and Marvin,

SENATE SPONSORSHIP

Mullica,

House Committees

State, Civic, Military, & Veterans Affairs
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A REQUIREMENT THAT THE SECRETARY OF STATE**
102 **REVIEW A CAMPAIGN FINANCE COMPLAINT THAT ARISES OUT OF**
103 **A MUNICIPAL CAMPAIGN FINANCE MATTER UNDER CERTAIN**
104 **CIRCUMSTANCES, AND, IN CONNECTION THEREWITH, MAKING AN**
105 **APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

If a person wants to file a complaint for a campaign finance violation (complaint) and the complaint arises out of a municipal

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

HOUSE
Amended 2nd Reading
April 24, 2024

campaign finance matter, current law requires the complaint to be filed with the clerk of the applicable municipality (clerk) rather than with the secretary of state (secretary). The bill allows a clerk to refer a complaint that arises out of a municipal campaign finance matter to the secretary if the municipality in which the complaint was filed:

- Does not have a campaign finance complaint ordinance and hearing process in place; or
- Does have a campaign finance complaint ordinance and hearing process in place but the clerk determines that the clerk's review of the complaint would create a conflict of interest for the clerk or the clerk's staff.

Before referring a complaint to the secretary, a clerk is required to review the complaint to determine if it was filed in writing, signed by the complainant, and identifies one or more respondents. If the complaint does not satisfy these 3 criteria, the clerk is required to dismiss it, and if it does, the clerk is required to refer it to the secretary. The secretary is required to treat a complaint referred by a clerk in the same manner as any other complaint filed with the secretary.

A clerk is required to provide notice to a person who files a complaint if the clerk dismisses the complaint or refers the complaint to the secretary.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 1-45-111.7, **repeal**
3 **(9)(b); and add (10) as follows:**

4 **1-45-111.7. Campaign finance complaints - initial review -**
5 **curing violations - investigation and enforcement - hearings -**
6 **advisory opinions - document review - collection of debts resulting**
7 **from campaign finance penalties - definitions. (9) Debt collection.**

8 ~~(b) Any complaint arising out of a municipal campaign finance matter~~
9 ~~must be exclusively filed with the clerk of the applicable municipality.~~

10 **(10) Municipal complaints. (a) A COMPLAINT ALLEGING THAT A**
11 **VIOLATION OF ARTICLE XXVIII OF THE STATE CONSTITUTION, THIS**
12 **ARTICLE 45, OR THE RULES HAS OCCURRED IN CONNECTION WITH A**
13 **MUNICIPAL CAMPAIGN FINANCE MATTER MUST BE FILED WITH THE CLERK**

1 OF THE APPLICABLE MUNICIPALITY. UNLESS OTHERWISE PROVIDED BY
2 LOCAL LAW, A COMPLAINANT MUST FILE THE COMPLAINT IN WRITING, SIGN
3 THE COMPLAINT, AND IDENTIFY ONE OR MORE RESPONDENTS. THE
4 COMPLAINT SHALL BE FILED AND PROCESSED IN ACCORDANCE WITH LOCAL
5 LAW UNLESS REFERRED TO THE SECRETARY AS SPECIFIED IN SUBSECTION
6 (10)(c)(I) OR (10)(c)(II) OF THIS SECTION.

7 (b) THE CLERK SHALL CONDUCT AN INITIAL REVIEW OF A
8 CAMPAIGN FINANCE COMPLAINT WITHIN TEN BUSINESS DAYS OF RECEIVING
9 THE COMPLAINT OR WITHIN THE TIME SPECIFIED IN LOCAL LAW TO
10 DETERMINE WHETHER THE COMPLAINT SATISFIES THE REQUIREMENTS OF
11 SUBSECTION (10)(a) OF THIS SECTION OR THE REQUIREMENTS OF LOCAL
12 LAW, AS APPLICABLE. IF, AFTER INITIALLY REVIEWING A COMPLAINT
13 PURSUANT TO THIS SUBSECTION (10)(b), THE CLERK DETERMINES THAT A
14 COMPLAINT DOES NOT SATISFY THE REQUIREMENTS OF SUBSECTION (10)(a)
15 OF THIS SECTION, THE CLERK SHALL DISMISS THE COMPLAINT.

16 (c) (I) IF, AFTER INITIALLY REVIEWING A CAMPAIGN FINANCE
17 COMPLAINT PURSUANT TO SUBSECTION (10)(b) OF THIS SECTION, THE
18 CLERK DETERMINES THAT THE COMPLAINT SATISFIES THE REQUIREMENTS
19 OF SUBSECTION (10)(a) OF THIS SECTION AND LOCAL LAW, AS APPLICABLE,
20 BUT PRESENTS AN ACTUAL OR POTENTIAL CONFLICT FOR THE CLERK OR
21 THE CLERK'S STAFF, THE CLERK SHALL REFER THE COMPLAINT TO THE
22 SECRETARY, IN A FORM AND MANNER DETERMINED BY THE SECRETARY,
23 WITHIN FOURTEEN BUSINESS DAYS OF RECEIVING THE COMPLAINT IF THE
24 MUNICIPALITY HAS ADOPTED AN ORDINANCE THAT AUTHORIZES THE
25 MUNICIPALITY TO REFER A CAMPAIGN FINANCE COMPLAINT TO THE
26 SECRETARY BASED ON AN ACTUAL OR POTENTIAL CONFLICT OF THE CLERK
27 OR THE CLERK'S STAFF, AS DETERMINED IN WRITING BY THE CLERK.

1 (II) IF THE CLERK OF A STATUTORY MUNICIPALITY THAT DOES NOT
2 HAVE A CAMPAIGN FINANCE COMPLAINT AND HEARING PROCESS
3 DETERMINES, AFTER INITIALLY REVIEWING A CAMPAIGN FINANCE
4 COMPLAINT PURSUANT TO SUBSECTION (10)(b) OF THIS SECTION, THAT A
5 COMPLAINT SATISFIES THE REQUIREMENTS OF SUBSECTION (10)(a) OF THIS
6 SECTION, THE CLERK SHALL REFER THE COMPLAINT TO THE SECRETARY, IN
7 A FORM AND MANNER DETERMINED BY THE SECRETARY, WITHIN FOURTEEN
8 BUSINESS DAYS OF RECEIVING THE COMPLAINT IF THE MUNICIPALITY HAS
9 ADOPTED AN ORDINANCE THAT AUTHORIZES THE MUNICIPALITY TO REFER
10 A CAMPAIGN FINANCE COMPLAINT TO THE SECRETARY BECAUSE THE
11 MUNICIPALITY DOES NOT HAVE A CAMPAIGN FINANCE COMPLAINT AND
12 HEARING PROCESS.

13 (d) TO REFER A CAMPAIGN FINANCE COMPLAINT TO THE
14 SECRETARY PURSUANT TO THIS SUBSECTION (10), A MUNICIPALITY MUST
15 HAVE AN ORDINANCE THAT AUTHORIZES THE MUNICIPALITY TO REFER
16 SUCH A COMPLAINT TO THE SECRETARY AND MUST PROVIDE A COPY OF THE
17 ORDINANCE TO THE SECRETARY. A MUNICIPALITY IS NOT AUTHORIZED TO
18 REFER A CAMPAIGN FINANCE COMPLAINT TO THE SECRETARY PURSUANT
19 TO THIS SUBSECTION (10) FOR AN ELECTION THAT IS FEWER THAN ONE
20 HUNDRED AND EIGHTY DAYS AFTER THE ORDINANCE IS PROVIDED TO THE
21 SECRETARY. A MUNICIPAL ORDINANCE THAT AUTHORIZES THE A
22 MUNICIPALITY TO REFER A CAMPAIGN FINANCE COMPLAINT TO THE
23 SECRETARY MUST:

24 (I) AUTHORIZE THE SECRETARY TO USE THE PROVISIONS OF
25 SUBSECTIONS (3) TO (7) OF THIS SECTION TO PROCESS, INVESTIGATE, AND
26 RESOLVE THE CAMPAIGN FINANCE COMPLAINT; EXCEPT THAT THE
27 DETERMINATION OF WHETHER THE COMPLAINT WAS TIMELY FILED

1 PURSUANT TO SUBSECTION (3)(a)(I) OF THIS SECTION SHALL CONSIDER THE
2 TIME FOR FILING A COMPLAINT UNDER LOCAL LAW;

3 (II) PERMIT THE FILING OF A CAMPAIGN FINANCE COMPLAINT NO
4 MORE THAN ONE HUNDRED EIGHTY DAYS AFTER THE DATE ON WHICH THE
5 COMPLAINANT EITHER KNEW OR SHOULD HAVE KNOWN, BY THE EXERCISE
6 OF REASONABLE DILIGENCE, OF THE ALLEGED VIOLATION;

7 (III) REQUIRE THE FILING OF A CAMPAIGN FINANCE COMPLAINT TO
8 BE IN WRITING AND SIGNED BY THE COMPLAINANT ON A FORM PROVIDED
9 BY THE SECRETARY, INCLUDING IDENTIFICATION OF ONE OR MORE
10 RESPONDENTS AND INCLUDING THE INFORMATION REQUIRED TO BE
11 PROVIDED ON THE FORM;

12 (IV) DIRECT THE MUNICIPALITY TO COOPERATE WITH THE
13 SECRETARY IN THE PROCESSING AND INVESTIGATION OF THE CAMPAIGN
14 FINANCE COMPLAINT; AND

15 (V) DISCLAIM ANY INTEREST OF THE MUNICIPALITY IN FINES
16 COLLECTED IN CONNECTION WITH A REFERRED CAMPAIGN FINANCE
17 COMPLAINT.

18 (e) UPON DISMISSING A COMPLAINT OR REFERRING A COMPLAINT
19 TO THE SECRETARY PURSUANT TO THIS SECTION, THE CLERK SHALL NOTIFY
20 THE COMPLAINANT OF THE CLERK'S ACTION BY E-MAIL OR BY REGULAR
21 MAIL IF E-MAIL IS UNAVAILABLE.

22 (f) A MUNICIPALITY MUST COOPERATE WITH THE SECRETARY IN
23 THE REVIEW, INVESTIGATION, AND DETERMINATION OF ANY CAMPAIGN
24 FINANCE COMPLAINT REFERRED TO THE SECRETARY PURSUANT TO THIS
25 SECTION.

26 (g) IF THE SECRETARY RECEIVES A CAMPAIGN FINANCE COMPLAINT
27 REFERRED BY A CLERK PURSUANT TO SUBSECTION (10)(c)(I) OR (10)(c)(II)

1 OF THIS SECTION, THE SECRETARY SHALL DEEM THE COMPLAINT FILED
2 PURSUANT TO SUBSECTION (2) OF THIS SECTION ON THE DATE OF RECEIPT
3 FROM THE CLERK, AND THE SECRETARY SHALL ENSURE THAT THE
4 COMPLAINT IS ADDRESSED IN ACCORDANCE WITH THE REQUIREMENTS OF
5 THIS SECTION. THE DETERMINATION THAT A CONFLICT EXISTS IS NOT
6 REVIEWABLE BY THE SECRETARY.

7 (h) THE SECRETARY SHALL APPLY THE SUBSTANTIVE PROVISIONS
8 OF A HOME RULE MUNICIPALITY'S LOCAL LAW IN PROCESSING,
9 INVESTIGATING, AND RESOLVING A CAMPAIGN FINANCE COMPLAINT
10 REFERRED TO THE SECRETARY PURSUANT TO THIS SECTION.

11 (i) ALL FINES COLLECTED IN CONNECTION WITH A REFERRED
12 CAMPAIGN FINANCE COMPLAINT ARE PAYABLE TO THE SECRETARY.

13 (j) THE ADOPTION OF A LOCAL LAW AUTHORIZING THE REFERRAL
14 OF A CAMPAIGN FINANCE COMPLAINT TO THE SECRETARY PURSUANT TO
15 THIS SECTION IS NOT A WAIVER OF THE APPLICATION OF ANY PROVISIONS
16 OF ARTICLE XX OR XXVIII OF THE STATE CONSTITUTION OR SECTION
17 1-45-116. NOTHING IN THIS SUBSECTION (10) REQUIRES A MUNICIPALITY
18 TO REPEAL AN ORDINANCE OR RESOLUTION ESTABLISHING A CAMPAIGN
19 FINANCE COMPLAINT AND HEARING PROCESS.

20 (k) AS USED IN THIS SUBSECTION (10):

21 (I) "CONFLICT" MEANS THE ACTUAL OR REASONABLY PERCEIVED
22 INABILITY TO PROCESS A CAMPAIGN FINANCE COMPLAINT OR IMPOSE A
23 REMEDY IN A FAIR AND IMPARTIAL MANNER, INCLUDING AN ACTUAL OR
24 REASONABLY PERCEIVED BIAS OR OTHER FACTORS THAT MAY IMPACT THE
25 INDEPENDENCE OF THE DECISION-MAKER REGARDING THE COMPLAINANT
26 OR A CANDIDATE.

27 (II) "CLERK" MEANS THE CLERK OF A MUNICIPALITY OR THE

1 PERSON OR ENTITY DESIGNATED TO REVIEW CAMPAIGN FINANCE
2 COMPLAINTS UNDER A LOCAL LAW.

3 (III) "LOCAL LAW" MEANS A MUNICIPAL CHARTER, ORDINANCE, OR
4 RESOLUTION THAT ADDRESS THE MATTERS COVERED BY ARTICLE XXVIII
5 OF THE STATE CONSTITUTION AND THIS ARTICLE 45.

6 **SECTION 2. Appropriation.** (1) For the 2024-25 state fiscal
7 year, \$170,723 is appropriated to the department of state. This
8 appropriation is from the department of state cash fund created in section
9 24-21-104 (3)(b), C.R.S. To implement this act, the department may use
10 this appropriation as follows:

11 (a) \$27,669 for use by the administration division for personal
12 services, which amount is based on an assumption that the division will
13 require an additional 0.2 FTE;

14 (b) \$100 for use by the administration division for operating
15 expenses;

16 (c) \$120,356 for use by the elections division for personal
17 services, which amount is based on an assumption that the division will
18 require an additional 2.0 FTE;

19 (d) \$15,950 for use by the elections division for operating
20 expenses; and

21 (e) \$6,648 for use by the information technology division for
22 operating expenses.

23 **SECTION 3. Act subject to petition - effective date -**
24 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
25 the expiration of the ninety-day period after final adjournment of the
26 general assembly; except that, if a referendum petition is filed pursuant
27 to section 1 (3) of article V of the state constitution against this act or an

1 item, section, or part of this act within such period, then the act, item,
2 section, or part will not take effect unless approved by the people at the
3 general election to be held in November 2024 and, in such case, will take
4 effect on the date of the official declaration of the vote thereon by the
5 governor.

6 (2) This act applies to municipal campaign finance complaints
7 filed on or after the applicable effective date of this act.