



Policy Updates to the Fair Election Fund

Agenda

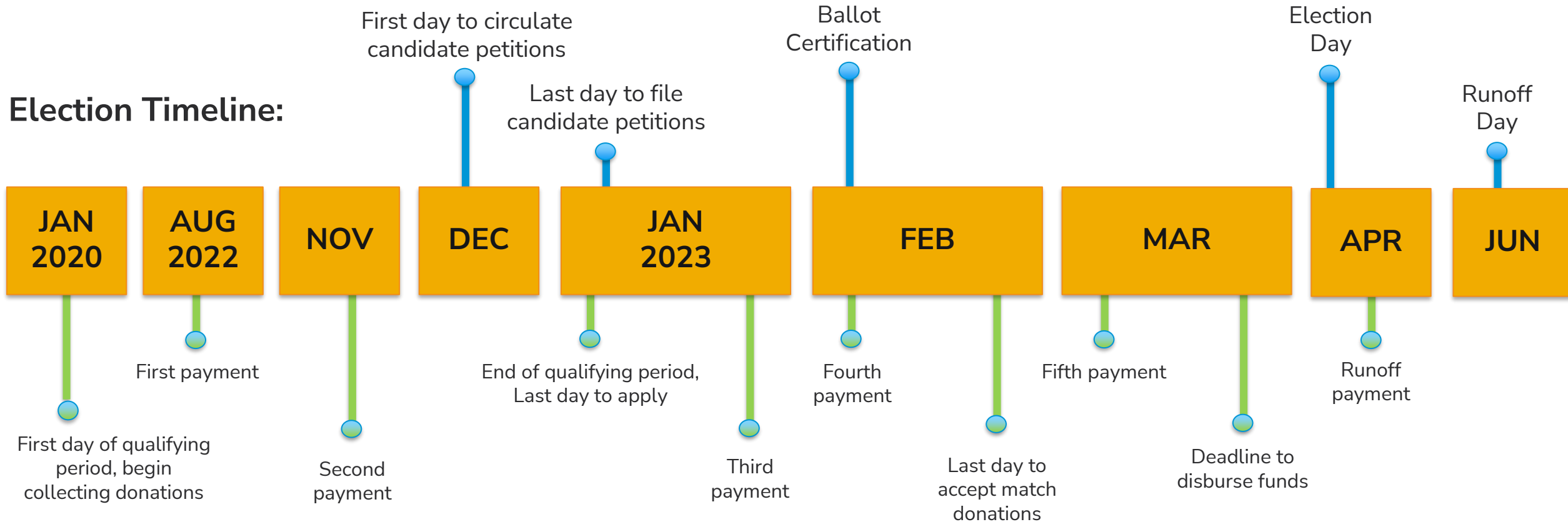
- Purpose
- Timeline of Denver Municipal Elections
- Proposed Changes
- Next Steps
- Discussion

The Why

- Denver's Fair Elections Fund (FEF) has successfully bolstered transparency and accessibility in local elections since its debut in 2023. However, several candidates and officials reported confusion with the FFE process.
- After evaluating the first implementation and gathering stakeholder feedback, Councilmembers Sawyer and Watson are ready to propose essential campaign finance updates for 2025 to promote transparency.
- These changes are designed to ensure the FEF remains *an effective, equitable tool* that supports *all* candidates and deepens voter confidence in our election processes.

Timeline of 2023 Election and FEF

Election Timeline:



FEF Timeline:

Proposed Changes

After gathering additional feedback from Councilmembers in the June 24th, Budget & Policy Committee session, CMs Sawyer and Watson suggest the following changes:

- Unify and simplify the election code
- Ban anonymous donations
- Equalize contribution amounts for FEF and non-FEF candidates
- Clarify requirements for neutral debates
- Update the requirements for neutral hearing officers
- List prohibited expenditures for FEF money

Unify and Simplify the Election Code

The Problem

- Denver's current campaign finance regulations, Chapter 15, Article III, are scattered, confusing, and cumbersome.
- The disorganization and complexity of Article III make it difficult for candidates to understand, navigate, and ensure proper campaign compliance.

The Solution: *One Simple and Unified Campaign Finance Code*

- At the Clerk & Recorder's request, this is not a repeal and replace but significant organizational changes have been made to improve readability and accessibility.

Ban Anonymous Donations

The Problem

- Anonymous contributions can obscure the hidden influencers in our elections, eroding trust in Denver's democracy.
- Cash contributions obstruct the disclosure requirement necessary for transparent and fair elections.

The Solution: *Ban All Anonymous Donations*

- To increase transparency and trust, the ordinance proposes a complete ban on anonymous contributions, including “fishbowl” contributions.
- Several other Colorado municipalities have already banned anonymous contributions.

Equalizing Max Contributions

The Problem

- Currently, FEF candidates can raise more money per donor than a non FEF candidate, creating an unequal playing field.
- Possible solutions are either increasing the max contribution per person for non FEF participants or reducing the FEF match amount to meet the non FEF limit.

Considerations:

- Increasing the non FEF participant limit allows for larger donations.
- Decreasing the FEF match amount significantly reduces the amount of money candidates have on hand to conduct voter outreach.

Equalize Max Contributions – 2023 Non-Adjusted

- Decrease Non-Participant Mayoral Limit by \$50
- Increase Non-Participant Auditor, Judge, C&R, & Councilmember A-L Limit by \$100
- Increases Non-Participant District Councilmember Limit by \$250

FEF Participant

Position	Max Contribution	Match	Max Total
Mayor	\$500	\$450	\$950
Auditor, Judge, Clerk & Recorder, & Councilmember At-Large	\$350	\$450	\$800
District Councilmember	\$200	\$450	\$650

Non-Participant

Max Contribution
\$950
\$800
\$650

Equalize Max Contributions – Adjusted to 2024 Inflation

- Adjusted for inflation every 4 years by establishing the updated Non-Participant max
- Takes the Non-Participant max and reduces by \$450 to establish the updated FEF Participant max
- These numbers are adjusted by 1.19% Consumer Price Index increase the Clerk’s Office calculated in Q1 of 2024

FEF Participant				Non-Participant
Position	Max Contribution	Match	Max Total	Max Contribution
Mayor	\$680	\$450	\$1,130	\$1,130
Auditor, Judge, Clerk & Recorder, & Councilmember At-Large	\$500	\$450	\$950	\$950
District Councilmember	\$320	\$450	\$770	\$770

Neutral Debates

The ordinance will strengthen and clarify the rules for mandatory debates to ensure a fair and level playing field for all candidates.

- Only required if more than one FEF candidate in a race
- One required for the general and run off
- Ensure debate moderators and hosts are not affiliated with any candidate in the race
- ADA requirements

Administrative Hearing Officers

The ordinance will strengthen and clarify the role of neutral hearing officers and proposes the following:

- Mandating the use of neutral administrative hearing officers to review FEF and other campaign finance complaints.
- Prohibiting hearing officers from being full-time employees of the Clerk & Recorder.
- Authorizing hearing officers to issue subpoenas.
- May assess penalty for violations of use of city funds.

Spending Restrictions & Prohibited Expenditures

- Any salary or payment to an individual unless that individual is providing bona fide services to the campaign and is compensated at fair market value;
- Admission to a sporting event, concert, theater or other form of entertainment unless part of a specific campaign activity;
- Dues, fees, parking or gratuities at a country club, health club or other recreational facility unless the costs are part of a specific fundraising event;
- Mortgage, rent or household utility payments for any part of a personal residence;
- Purchases of personal household food items, supplies or services;
- Purchase of clothing, other than items of de minimus value used in the campaign;
- Repayment of any loans, debts or penalties;
- Out-of-state travel;
- The purchase of “alcoholic beverages” as that term is defined at Chapter 6;
- The purchase of "regulated marijuana" as that term is defined in the Colorado Marijuana Code;
- The purchase of "tobacco products" as that term is defined in Chapter 24;

Spending Restrictions & Prohibited Expenditures Cont.

- Payment to a registered voter in exchange for that voter agreeing to vote in an election.
- Automobile purchase or leases;
- Computer hardware or software valued at more than \$250 less than two weeks prior to the election;
- Gifts valued more than fifty dollars (\$50.00)
- Fundraising percentage fees to be no more than 5% of total fair election fund distributions;
- Legal fees, other than fees for bona fide services to the campaign and compensated at fair market value;
- Payments of fees or fines to the City and County of Denver;
- Payments for campaign services past 45 days post election;
- Tuition payments;
- Used to purchase any prepaid credit or gift cards of any kind;
- Funds used to promote business interests of candidate or immediate family members of the candidate;
- Staff appreciation events with a combined total of over \$500;
- Reimbursing contributors for their contributions;

Timeline and Next Steps

- May 2024, Councilmember Survey
- June 24, 2024 – Budget & Policy
- October 14-31, 2024 – Stakeholder Briefings
- November 19, 2024 – Finance & Governance Committee w/ Exec Session
- December 17, 2024 – Finance & Governance Committee
- December 24, 2024 – Mayor Council
- January 6, 2024 – First Reading
- January 13, 2024 – Second Reading and Public Hearing Requested

Questions & Discussion