



Policy Updates to the Elections Ordinance and Fair Election Fund

Agenda

- Background
- Proposed Changes
- Stakeholder Process
- Timeline & Next Steps
- Questions & Discussion

Background

- 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 FEF 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 and fairness.
- 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.

Proposed Changes

After gathering additional feedback from residents, Council members, and City Agencies, CMs Sawyer and Watson suggest the following changes:

- Unify and simplify the election code
- Ban anonymous donations
- Clarify requirements for accessible and neutral debates
- Update the ability to investigate complaints and add 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 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.

Neutral Debates

The Problem: In 2023, there were a number of issues with debates that led to questions about fairness and neutrality, as well as accessibility.

The Solution: *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 debate required for the general election and one for the run-off election
 - Run by TV8 with a community partner and located at a city-owned facility
- Require notification to candidates of date/time/location at least 7 days in advance
- Ensure debate moderators, hosts, and questions are fair and neutral
- ADA requirements

Complaints & Administrative Hearing Officers

The Problem: Currently, the Clerk's Office staff does not have the legal authority to investigate potential campaign violations unless a complaint is filed by a resident.

The Solution: *Strengthen investigatory capacity and clarify the role of neutral hearing officers*

- Allow the Clerk & Recorder's Office to investigate potential campaign violations
- Mandate the use of neutral administrative hearing officers to review FEF and other campaign finance complaints to ensure due process
- Prohibit hearing officers from being full-time employees of the Clerk & Recorder
- May assess penalties for violations of campaign finance law, including decertification

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 at least 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;
- 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;
- 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;
- 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;

Stakeholder Process

In addition to conversations with residents, Councilmembers Sawyer and Watson have conducted briefings and gathered feedback from the following stakeholders over the past nine months:

- Councilmember survey
- Budget & Policy Committee briefing
- Multiple Individual Council member briefings
- Executive session with Council members
- Mayor's Office
- Auditor's Office
- Clerk & Recorder's office (multiple meetings, draft review opportunities, and edits)
- Owen Perkins and David Sabados (Drafters of the original 2018ncitizen's ordinance)
- Agency for Human Rights & Community Partnerships
- Tech Services & TV8

Timeline and Next Steps

- May 2024, Councilmember Survey
- June 24, 2024 – Budget & Policy Committee Presentation
- August - October 2024 – Drafting & Stakeholder Briefings
- November 19, 2024 – Finance & Governance Committee w/ Exec Session
- December 17, 2024 – Finance & Governance Committee
- January 28, 2025 – Finance & Governance Committee
- February 4, 2025 – Mayor Council
- February 11, 2025 – First Reading
- February 18, 2025 – Second Reading with Required Public Hearing

Questions & Discussion