

1 BY AUTHORITY

2 ORDINANCE NO. _____
3 SERIES OF 2023

COUNCIL BILL NO. CB22-1641
COMMITTEE OF REFERENCE:
4 Finance & Governance

5 A BILL

6 **For an ordinance amending Article III of Chapter 15 of the Revised Municipal Code**
7 **concerning the regulation of campaign finances.**

8
9 **BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

10 **Section 1.** Section 15-32(d)(1), D.R.M.C., shall be amended by deleting the language stricken,
11 to read as follows:

12 **Sec. 15-32. - Definitions.**

13 (d) *Contribution* shall mean a gift, loan, pledge or advance of money; guarantee or
14 endorsement of loan; or letter of credit or line of credit made by any person for the purpose of
15 influencing any election. "Contribution" includes, but is not limited to:

16 (1) A transfer of money between one (1) candidate or ~~political~~-committee and another
17 (which
18 shall be a contribution to the committee which receives the money);

19 **Section 2.** Section 15-32(g)(2), D.R.M.C., shall be amended by adding the language
20 underlined, to read as follows:

21 (g) (2) No communication shall be considered controlled by or coordinated with a candidate or
22 issue committee if it is a news story, commentary, or editorial distributed through the facilities of any
23 broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are
24 owned or controlled by any political party, political action committee, small donor committee, or
25 candidate or the communication is a candidate or issue debate or promotion materials for such a
26 debate.

27 **Section 3.** Section 15-32(m), D.R.M.C., shall be amended adding the language underlined, to
28 read as follows:

29 (m) *Issue committee* shall mean any committee, club, association, corporation, or other group
30 of persons which receives contributions or contributions in-kind aggregating five hundred dollars
31 (\$500.00) or more during an election cycle and makes expenditures aggregating five hundred dollars
32 (\$500.00) or more during an election cycle for the major purpose of supporting or opposing one (1) or
33 more ballot issues or ballot questions. Issue committee does not include political parties, political

1 action committees, small donor committees, or candidate committees as otherwise defined in this
2 section.

3 **Section 4.** Sections 15-32(o)-(p), D.R.M.C., shall be amended by adding the language
4 underlined, to read as follows:

5 (o) *Political action committee* shall mean any committee, club, association, local political
6 party, or other group of persons not authorized by a candidate and formed for the major purpose of
7 making contributions to candidate, issue, or political action committees, which receives contributions
8 or contributions in-kind aggregating five hundred dollars (\$500.00) or more during an election cycle
9 and which makes expenditures aggregating five hundred dollars (\$500.00) or more during an election
10 cycle. Political action committee includes a committee, club, association or other group which solicits
11 contributions or contributions in-kind and places such contributions or contributions in-kind in its
12 treasury for distribution to candidate, issue, or political action committees. Political action committee
13 does not include a committee, club, association or other group which solicits individual contributions
14 and passes those contributions along to candidate, issue, or political action committees without
15 placing the contributions in its own treasury prior to distribution to a political action committee.

16 (p) *Small donor committee* means any political action committee that has accepted
17 contributions only from natural persons who each contributed no more than fifty dollars (\$50.00) in the
18 aggregate per year. "Small donor committee" does not include political parties, political action
19 committees, issue committees, or candidate committees.

20 **Section 5.** Sections 15-34(b) and (d), D.R.M.C., shall be amended by deleting the language
21 stricken and adding the language underlined, to read as follows:

22 **Sec. 15-34. - Organization of Committees.**

23 (b) Every committee shall file a statement of organization with the clerk and recorder no later
24 than ten (10) days after becoming a candidate, issue, political action, or small donor committee. The
25 statement of organization of a committee shall include:

26 (d) Any contributions or contributions in-kind received or expenditures made by the
27 committee during the election cycle, but prior to becoming a candidate, issue, political action, or small
28 donor committee shall be reported in the first report required under section 15-35.

29 **Section 6.** Section 15-34, D.R.M.C., shall be amended by the addition of a new subsection (h),
30 to read as follows:

31 (h) An issue committee shall terminate no later than one year from the date of the election
32 at which a ballot issue that the issue committee has a major purpose to support or oppose is voted on.

33 **Section 7.** Sections 15-35(a)-(c), D.R.M.C., shall be amended by deleting the language

stricken and adding the language underlined, to read as follows:

Sec. 15-35. - Reporting requirements for committees.

(a) *General.* The treasurer of each committee, or his or her designee, shall file reports in accordance with the provisions of this section and shall attest to each report's accuracy. Each report, except for the first report, must account for the period of time between the end of the previous reporting period and the ~~due date for the report~~ end of the current reporting period in accordance with the applicable deadline specified below in sections 15-35(b) or (c).

(b) *Candidate committees, political action committees and small donor committees.*

(1) General and run-off elections. In the calendar year in which there is a general municipal election and run-off election, candidate committees, ~~and political~~ action committees, ~~and small donor committees~~ shall file the following reports:

a. Monthly reports for the complete months of January and February, which shall be filed no later than the fifth day of the following month;

b. Pre-election report, as follows:

~~1. A report for the period beginning March 1 to March 14, which shall be filed no later than March 17;~~

~~2. A report for the period beginning March 15 to March 31, which shall be filed no later than April 3;~~

~~3. A report for the period beginning April 1 to April 14, which shall be filed no later than April 17;~~ March 1 to March 14 ~~March 17;~~ and

~~4. A report for the period of April 15 to April 30, which shall be filed no later than the Friday before the general election;~~ March 15 to the Wednesday before the general election, which shall be filed no later than the Friday before the general election.

c. ~~A post-election report, which shall be filed no later than the Thursday before the scheduled date for a run-off election and which shall be complete through the Wednesday before the scheduled date for a run-off election;~~ Pre-run-off-election reports as follows:

~~1. A report for the period beginning the Thursday before the general election through April 30, which shall be filed no later than May 3; and~~

~~2. A report for the period beginning May 1 through the Wednesday before the runoff election, which shall be filed no later than the Friday before the runoff election.~~

d. A post-run-off-election report, which shall be filed no later than the thirtieth day after the run-off election ~~and only by those candidates listed on the run-off ballot, and which shall be complete~~ include the period from the Thursday before the runoff election through the twenty-fifth day after the run-off election; and

e. A year-end report, which shall be filed no later than the thirty-first day of January

of the following year, and which shall cover the twenty-sixth day after the run-off election through December 31.

~~1. For those candidates not listed on the run-off election ballot, this report shall cover the Thursday before the run-off election through December 31;~~

~~2. For those candidates listed on the run-off ballot, this report shall cover the twenty-sixth day after the run-off election through December 31.~~

(2) *Special elections.* For each month before a special election, beginning in the month that a candidate is declared or a candidate committee is formed for the office, the following reports shall be filed:

a. Reports for each month before the month of the special election, which shall be filed no later than the fifth day of the following month, except for the pre-election reports required under subsection (2) b. of this section;

~~b. A pre-election report, which shall cover the period beginning the first day of the month of the special election through the Wednesday before the special election and which shall be filed on the Thursday before the special election;~~ A pre-election reports as follows:

1. A report for the period beginning on the first day of the month immediately before the month of the election through the 14th day of that month, which shall be filed no later than the 17th day of that month; and

2. A report for the period beginning on the 15th day of the month immediately before the month of the election through the Wednesday before the election, which shall be filed no later than the Friday before the election.

c. A post-election report, which shall be filed no later than the thirtieth day after the special election, through the twenty-fifth day after the special election; and

d. A year-end report, which shall be filed no later than the thirty-first day of January of the following year and which shall cover the period from the twenty-sixth day after the special election through December 31.

~~(3) Incumbents. Any An incumbent officeholder who does not seek re-election in any year in which there is a general or special city election shall file a report covering the period beginning January 1 and ending December 31 of the year in question, which shall be filed no later than January 31 of the following calendar year.~~

(43) Non-election years within an election cycle—candidate committees, and political action committees; and small donor committees.

a. ~~Beginning January 1, 2020 and for each election cycle thereafter, each committee shall, for the first two calendar years in the election cycle, file a report on or before January 31 and~~

July 31 of each year. The report shall cover the period since the last report.

~~ba.~~ Beginning January 1, 2018 and for each election cycle thereafter, each ~~Each~~ committee shall, in the calendar year immediately before a general municipal election, file quarterly reports due no later than the fifteenth calendar day after the end of the applicable quarter.

(c) *Issue committees.* For each month before an election, beginning in the month that an issue committee is formed, each issue committee shall file:

(1) Reports for each month before the month of the election, which shall be filed no later than the fifth day of the following month, except for the pre-election reports required under subsection (c) (2) of this section;

(2) ~~A pre-election, which shall cover the period beginning the first day of the month of the election through the Wednesday before the election and which shall be filed on the Thursday before the election;~~Pre-election reports as follows:

a. A report for the period beginning on the first day of the month immediately before the month of the election through the 14th day of that month, which shall be filed no later than the 17th day of that month; and

b. A report for the period beginning on the 15th day of the month immediately before the month of the election through the Wednesday before the election, which shall be filed no later than the Friday before the election.

(3) A post-election report, which shall be filed no later than the thirtieth day after the election, and which shall be complete beginning with the Thursday before the election through the twenty-fifth day after the election; and

(4) A year-end report, which shall be filed no later than the thirty-first day of January of the following year and which shall cover the period from the twenty-sixth day after the election through December 31.

~~(5) This section 15-35(c) shall take effect January 1, 2018.~~

Section 8. Section 15-35.5 shall be amended by the addition of a new subsection (g), to read as follows:

(g) A person filing a report in accordance with this section must file the report electronically with the clerk and recorder. The clerk and recorder may not accept manual filings.

Section 9. Section 15-37(e), D.R.M.C., shall be amended by deleting the language stricken and adding the language underlined, and section 15-37, D.R.M.C., shall be further amended by the addition of a subsection (f), to read as follows:

Sec. 15-37. - Limitations on contributions and contributions in-kind.

(e) Any portion of an anonymous contribution of fifty dollars (\$50.00) or more received by a

1 ~~political~~ committee shall be remitted by the treasurer to the clerk and recorder no later than seventy-
2 two (72) hours after receipt, for deposit by the clerk and recorder into the Fair Elections Fund of the
3 city.

4 (f) A candidate may not accept contributions from a small donor committee in the
5 aggregate in excess of the ten (10) times the contribution limit for the office that the candidate
6 seeks, the amounts of which are listed below.

<u>Office</u>	<u>Amount for Fair candidates not participating in the Fair Elections Fund</u>	<u>Amount for Fair Elections Fund Participating Candidates</u>
<u>Mayor</u>	<u>\$10,000.00</u>	<u>\$5,000.00</u>
<u>Auditor</u>	<u>\$7,000.00</u>	<u>\$3,500.00</u>
<u>Councilmember at large</u>	<u>\$7,000.00</u>	<u>\$3,500.00</u>
<u>Judge</u>	<u>\$7,000.00</u>	<u>\$3,500.00</u>
<u>Clerk and Recorder</u>	<u>\$7,000.00</u>	<u>\$3,500.00</u>
<u>District councilmember</u>	<u>\$4,000.00</u>	<u>\$2,000.00</u>

7 **Section 10.** Sections 15-38(a)-(b), D.R.M.C., shall be amended by deleting the language
8 stricken, to read as follows:

9 **Sec. 15-38. - Use of campaign funds restricted.**

10 (a) No candidate or treasurer of a ~~political~~ committee, may use any contribution or
11 contribution in-kind for private purposes not reasonably related to influencing an election.

12 (b) Unexpended campaign contributions to a candidate committee may be:

13 (1) Contributed to a candidate committee established by the same candidate for a different
14 elected office of the city if the candidate committee making such a contribution is affirmatively closed
15 by the candidate no later than ten days after the date such a contribution is made;

16 (2) Contributed to a candidate committee for any other candidate for elected office in the
17 city;

18 (3) Contributed to any ~~political committee~~ or issue committee organized to support or
19 oppose any city or state ballot question or ballot issue or any ballot issue or ballot question proposed
20 by any other local government that includes territory within the city;

21 (4) Donated to a charitable organization recognized by the internal revenue service; ~~or~~

22 (5) Returned to the contributors or retained by the committee for use by the candidate in a
23 subsequent campaign for any non-partisan office; or

24 (6) Donated to the Fair Election Fund established under section 15-51, D.R.M.C.

Section 11. Sections 15-42(a)-(c), D.R.M.C., shall be amended by deleting the language stricken and adding the language underlined, to read as follows:

Sec. 15-42. - Responsibility for Communications.

Whenever any person makes an expenditure for the purpose of financing communications expressly advocating a particular result in an election, or solicits any contribution or contribution in-kind through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication:

(a) If paid for and authorized by a ~~candidate~~, candidate committee, issue committee, political action committee, small donor committee or their agents, shall clearly state that the communication is paid for by that ~~candidate~~, candidate committee, issue committee, political action committee, or small donor committee;

(b) If paid for by other persons but authorized by ~~a candidate~~, a candidate committee, issue committee, political action committee, small donor committee or their agents, shall clearly state that the communication is paid for by such other persons and authorized by ~~the candidate~~, candidate committee, issue committee, political action committee, or small donor committee; or

(c) If paid for by a person as an independent expenditure or electioneering communication, shall clearly state both the full name of the person making the expenditure and that the advertisement or material is not authorized by the candidate, candidate committee, issue committee, political action committee, or small donor committee.

Section 12. Section 15-49(a)(5) shall be amended by deleting the language stricken and adding the language underlined, to read as follows:

Section 15-49. - Definitions.

(a) As used in this division, the following words and phrases shall have the following meanings, unless otherwise clearly indicated by the context:

(5) "Qualifying period" means the period beginning on the January 1 immediately following the most recent election for the specific office and ending ~~fifty (50)~~ seventy-five (75) days before the election date. The qualifying period for any special or vacancy election starts the day that notice has been made for the special or vacancy election and ends on the date of certification or fifty (50) days before the election date.

Section 13. Section 15-51(b)(1)-(2) shall be amended by deleting the language stricken and adding the language underlined, to read as follows:

Sec. 15-51. - Fair Elections Fund.

(b) *Appropriations to the Fair Elections Fund.*

(1) The city shall annually appropriate two dollars and eighty-eight cents (\$2.88) per City of Denver resident per year, as determined by the most recent official United States Census Bureau Population Estimate for the City of Denver, from the city general fund to the Fair Elections Fund. The mayor and council's duty to appropriate funds for the public financing program shall cease upon the termination of the public financing program. Appropriations to the Fund shall be ~~encumbered~~ made to satisfy the obligation created by subsection (a) of this section pursuant to Charter section 7.2.3 until the maximum amount allowed in the Fair Elections Fund is reached pursuant to subsection (b)(3) of this section.

(2) Other sources of revenue in the Fund shall include:

- a. Unspent funds distributed to any participating candidate who does not remain a candidate until the election for which they were distributed, or such funds that remain unspent by a participating candidate;
- b. Other funds appropriated by the mayor and city council;
- c. Unexpended campaign contributions from any ~~candidate or political~~ committee;
- d. Any interest generated by the Fund; and
- e. Any other sources of revenue determined as necessary by the city council.

Section 14. Section 15-54(b), D.R.M.C., shall be amended by adding the language underlined, to read as follows:

Sec. 15-54. - Requirements for participation in the fair elections program. (b) Participating candidates and candidates seeking certification may accept contributions only from natural persons or a small donor committee, as defined in section 15-32 (p), and may not accept contributions from any local, state, or federal issue, candidate, or political action committee. A participating candidate or a candidate seeking certification may not accept contributions from a small donor committee in the aggregate in excess of ten (10) times the contribution limit for participating candidates for the office that the candidate seeks.

Section 15. Section 15-54(e), D.R.M.C., shall be amended by deleting the language stricken and adding the language underlined, to read as follows:

(e) (1) Participating candidates must agree to participate in at least ~~two (2)~~ one (1) public debates with opponents in the general election and at least one (1) public debate with the opponent in a run-off election if offered. For purposes of this section, a "debate" means the moderated reciprocal discussion of issues among candidates on the ballot for the same office. If there is only one (1) candidate for a given office on the ballot, or if the only other candidate or candidates on the ballot for the given office are not participating in the Fair Elections Fund, then no debate for that given office shall be held pursuant to this section.

(2) Each debate held pursuant to this section shall be at least one (1) hour's duration. The clerk and recorder's office shall select one (1) or more sponsors for each debate required pursuant to this section. Organizations that are not affiliated with a political party or with a ~~holder of or~~ candidate ~~for public in the election~~ and that have not endorsed any candidate in the election shall be eligible to sponsor one (1) or more of the required debates. The rules for conducting such debates, and the date, time, and location of such debates, shall be solely the responsibility of the organizations selected but shall not be made final without consultation with the clerk and recorder's office.

(3) Written applications by organizations to sponsor a debate shall be submitted to the clerk and recorder's office on a form provided by the clerk not later than a date chosen by the clerk and recorder in any year in which a municipal election is held with the parameters that the debate takes place after the ballot is certified and before ballots are mailed in accordance with section 1-7.5-107 (3) (a) (i), C.R.S. The written application shall:

(i)~~a.~~ Demonstrate that the organization and any proposed co-sponsor meet the criteria established in this section;

(ii)~~b.~~ Specify any elections and offices for which the organization seeks to sponsor debates;

(iii)~~c.~~ Set forth proposed dates, times, durations, and locations of the debates and the ~~specific and exclusive~~ circumstances under which the dates or times may be changed, together with a provision for when the rescheduled debates will be held;

(iv)~~d.~~ Provide a detailed description of the format and ground rules for the debates;

(v)~~e.~~ Verify that the staging, promotion, and coverage of the debates shall be in conformance with all applicable laws;

(vi)~~f.~~ Include an agreement to indemnify the city for any liability arising from the acts or omissions of the sponsor; and

(vii)~~g.~~ Set forth plans for publicity and for broadcast and other media coverage for the debates.

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COMMITTEE APPROVAL DATE: December 13, 2022.

MAYOR-COUNCIL DATE: N/A

PASSED BY THE COUNCIL _____

_____ - PRESIDENT

APPROVED: _____ - MAYOR _____

ATTEST: _____ - CLERK AND RECORDER,
EX-OFFICIO CLERK OF THE
CITY AND COUNTY OF DENVER

NOTICE PUBLISHED IN THE DAILY JOURNAL _____; _____

PREPARED BY: Troy Bratton, Assistant City Attorney; DATE: December 15, 2022

Pursuant to section 13-9, D.R.M.C., this proposed ordinance has been reviewed by the office of the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to § 3.2.6 of the Charter.

Kerry Tipper, Denver City Attorney

BY: _____, Assistant City Attorney DATE: _____