

**SUBJECT: DISCUSSION/DIRECTION – MUNICIPAL CAMPAIGN FINANCE
REGULATIONS**

DATE: JANUARY 16, 2024

PRESENTED BY: MEREDYTH MUTH, CITY CLERK

SUMMARY:

In 2023, the Colorado Legislature passed HB 1245 which made changes to the requirements under the Fair Campaign Practices Act for Municipal Elections. The changes took place on January 1 of this year and include the following:

- Established contribution limits for municipal office:
 - maximum of \$400 in aggregate contributions from an individual to any one City Council candidate;
 - maximum of \$4000 in aggregate from a small donor committee to any one City Council candidate
- Established new filing dates for campaign finance disclosure reports
- Changed the retention requirements for campaign finance reports from one year to ten years
- Requires municipalities to post campaign finance reports on their websites

As a home rule municipality the City has the option of adopting its own fair campaign election regulations. Given this change to the State rules, staff believes this is a good time for the Council to consider if it wants to continue to apply the statutory rules or create rules specific to Louisville.

If Council would like to consider local rules, staff has suggestions for disclosure filing dates and the retention length for campaign reports. Councilmembers would need to determine if it wants to address contribution limits and if yes, what those limits would be.

Staff is requesting Council discuss the option of adopting local campaign finance regulations. If Council is interested in adopting local rules, please give direction for staff to come back with an ordinance for consideration. Should Council want to move forward with local rules, the Clerk's Office will bring an ordinance back no later than Q2 so that it is clear what regulations are in effect for the 2024 election season which begins in August.

FISCAL IMPACT:

None at this time.

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RECOMMENDATION:

Discussion/direction

ATTACHMENT(S):

1. House Bill 23-1245

STRATEGIC PLAN IMPACT:

☐	 Financial Stewardship & Asset Management	☐	 Reliable Core Services
☐	 Vibrant Economic Climate	☐	 Quality Programs & Amenities
☐	 Engaged Community	☐	 Healthy Workforce
☐	 Supportive Technology	☐	 Collaborative Regional Partner

An Act

HOUSE BILL 23-1245

BY REPRESENTATIVE(S) Parenti and Willford, Bacon, Bird, Brown, deGruy Kennedy, Epps, Froelich, Gonzales-Gutierrez, Jodeh, Joseph, Lindsay, Mabrey, Snyder, Story, Weissman, Woodrow, English, Velasco; also SENATOR(S) Priola and Rodriguez, Coleman, Exum, Fields, Gonzales, Hansen, Jaquez Lewis, Moreno, Mullica.

CONCERNING REQUIREMENTS UNDER THE "FAIR CAMPAIGN PRACTICES ACT"
FOR MUNICIPAL ELECTIONS.

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

SECTION 1. In Colorado Revised Statutes, 1-45-103.7, **add** (1.9) as follows:

1-45-103.7. Contribution limits - county offices - school district director - municipal office - treatment of independent expenditure committees - contributions from limited liability companies - voter instructions on spending limits - definitions. (1.9) (a) (I) THE MAXIMUM AMOUNT OF AGGREGATE CONTRIBUTIONS THAT ANY ONE PERSON, INCLUDING A POLITICAL PARTY, AND EXCLUDING A SMALL DONOR COMMITTEE, MAY MAKE TO A CANDIDATE COMMITTEE OF A CANDIDATE FOR A MUNICIPAL OFFICE, AND THAT A CANDIDATE COMMITTEE FOR SUCH A CANDIDATE MAY

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

ACCEPT FROM ANY ONE SUCH PERSON PER ELECTION IS FOUR HUNDRED DOLLARS.

(II) THE MAXIMUM AMOUNT OF AGGREGATE CONTRIBUTIONS THAT ANY ONE SMALL DONOR COMMITTEE MAY MAKE TO A CANDIDATE COMMITTEE OF A CANDIDATE FOR A MUNICIPAL OFFICE AND THAT A CANDIDATE COMMITTEE FOR SUCH A CANDIDATE MAY ACCEPT FROM ANY ONE SMALL DONOR COMMITTEE PER ELECTION IS FOUR THOUSAND DOLLARS.

(III) THE REQUIREMENTS OF SECTIONS 1-45-108 AND 1-45-109, AS APPROPRIATE, APPLY TO ANY CONTRIBUTION MADE OR RECEIVED FOR ANY ELECTION THAT IS SUBJECT TO SUBSECTION (1.9)(a)(I) OR (1.9)(a)(II) OF THIS SECTION.

(b) AS USED IN THIS SUBSECTION (1.9), "MUNICIPAL OFFICE" MEANS THE MAYOR, THE BOARD OF TRUSTEES, A MEMBER OF CITY COUNCIL, AND ANY OTHER ELECTED MUNICIPAL OFFICER.

SECTION 2. In Colorado Revised Statutes, 1-45-108, **amend** (2)(a)(II); and **add** (2)(a)(II.5) as follows:

1-45-108. Disclosure - definitions - repeal. (2) (a) (II) Such reports that are required to be filed with the municipal clerk FOR MUNICIPALITIES WITH A POPULATION OF LESS THAN ONE THOUSAND and such reports required to be filed pursuant to section 1-45-109 (1)(a)(II) and (1)(c) must be filed on the twenty-first day and on the Friday before and thirty-five days after the primary election, where applicable, and the major election in election years and annually in off-election years on the first day of the month in which the anniversary of the major election occurs.

(II.5) SUCH REPORTS THAT ARE REQUIRED TO BE FILED WITH THE MUNICIPAL CLERK FOR MUNICIPALITIES THAT HAVE A POPULATION OF ONE THOUSAND OR MORE MUST BE FILED NO LATER THAN SIXTY DAYS, THIRTY DAYS, AND FIFTEEN DAYS BEFORE, AND THIRTY DAYS AFTER THE MAJOR ELECTION IN ELECTION YEARS AND ANNUALLY IN OFF-ELECTION YEARS ON THE FIRST DAY OF THE MONTH IN WHICH THE ANNIVERSARY OF THE MAJOR ELECTION OCCURS; EXCEPT THAT, FOR A RUNOFF ELECTION REPORTS MUST BE FILED NO LATER THAN FIFTEEN DAYS BEFORE AND FIFTEEN DAYS AFTER THE RUNOFF ELECTION.

SECTION 3. In Colorado Revised Statutes, 1-45-109, **amend** (1)(b) as follows:

1-45-109. Filing - where to file - timeliness. (1) For the purpose of meeting the filing and reporting requirements of this article 45:

(b) Candidates in municipal elections, their candidate committees, any political committee in support of or in opposition to such candidate, an issue committee supporting or opposing a municipal ballot issue, and small donor committees making contributions to such candidates shall file with the municipal clerk. AN INDEPENDENT EXPENDITURE COMMITTEE THAT MAKES EXPENDITURES IN CONNECTION WITH A MUNICIPAL ELECTION SHALL FILE WITH THE MUNICIPAL CLERK.

SECTION 4. In Colorado Revised Statutes, 1-45-112, **amend** (1)(b); and **add** (1)(c.5) as follows:

1-45-112. Duties of municipal clerk. (1) The municipal clerk shall:

(b) Keep a copy of any report or statement required to be filed by this article for a period of ~~one year~~ TEN YEARS from the date of filing. In the case of candidates who were elected, those candidate's reports and filings shall be kept for ~~one year~~ SIX YEARS after the candidate leaves office.

(c.5) MAKE PUBLICLY AVAILABLE WITHOUT CHARGE ON A WEBSITE, OR FOR IN-PERSON INSPECTION, ANY REPORTS, DISCLOSURES, OR STATEMENTS THAT ARE FILED PURSUANT TO THIS ARTICLE 45 AND ARE SUBJECT TO THE RETENTION REQUIREMENTS SET FORTH IN SUBSECTION (1)(b) OF THIS SECTION. FOR AN INDIVIDUAL WHO SUBMITS AN OPEN RECORDS REQUEST INVOLVING SUCH REPORTS, DISCLOSURES, OR STATEMENTS, IF PRINTOUTS OR PHOTOGRAPHS RELATING TO SUCH AN OPEN RECORDS REQUEST ARE REQUESTED, THE MUNICIPAL CLERK MAY CHARGE APPROPRIATE FEES.

SECTION 5. Act subject to petition - effective date - applicability. (1) This act takes effect January 1, 2024; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people

at the general election to be held in November 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

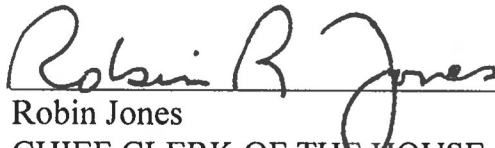
(2) This act applies to any municipal election held on or after the effective date of this act.



Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES



Steve Fenberg
PRESIDENT OF
THE SENATE

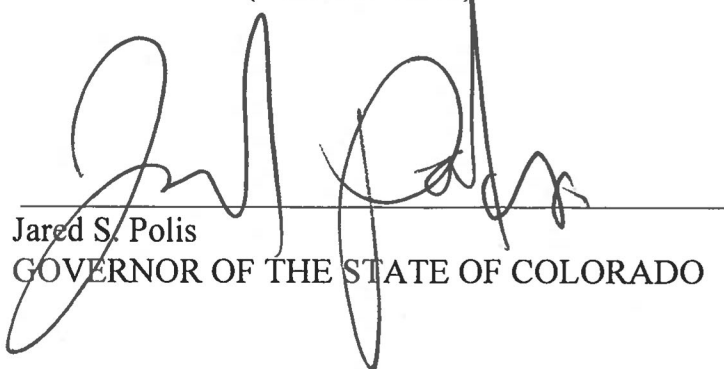


Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES



Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED June 7, 2023 at 3:05 pm
(Date and Time)



Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO