

# CAMPAIGN FINANCE HANDBOOK

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**OFFICE OF THE CLERK AND RECORDER | HON. PAUL D. LÓPEZ**  
CITY AND COUNTY OF DENVER

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# Chapter 1: Introduction

## What is the Office of the Clerk and Recorder, and what is its function?

The elected clerk and recorder is a nonpartisan elected position, according to the charter of the City and County of Denver. The clerk and recorder serves a four-year term and is responsible for the oversight of the Office of the Clerk and Recorder, an independent agency within the City and County of Denver.

In this role, the clerk and recorder oversees the Denver Elections Division. The Denver Elections Division administers all Denver elections and voter registration. The Office of the Clerk and Recorder also compiles campaign finance reports for municipal elections, lobbying reports, and gift disclosures for Denver's elected officials.

In addition to elections, the Office of the Clerk and Recorder issues marriage licenses, records land transactions, administers foreclosures, and maintains public records.

## Who is this guide for, and how can I use it?

This guide is intended for use by candidates, committee chairs, committee treasurers, campaign managers, compliance staff, and others involved in Denver municipal elections. This guide covers running for the offices of mayor, clerk and recorder, auditor, city council, and city council at-large. The handbook provides answers to common questions and provides information on Denver's campaign finance ordinances.

***This guide is not a substitute for legal advice and cannot cover every aspect of Denver's Elections Rules or the Denver Municipal Code.*** Committees should review [Denver Municipal Code, Chapter 15](#) and the Office of the Clerk and Recorder [Election Rules](#) in their entirety.

Committees with questions are encouraged to contact the Office of the Clerk and Recorder. Campaign finance trainings are available for committee staff and treasurers. These campaigns will be provided during set times in person or online to suit the needs of each committee.

## I want to run for the Denver Board of Education. Can I use this guide?

No, candidates for the Denver Board of Education are subject to regulation by the Colorado Secretary of State. Candidates interested in running for Board of Education or state office should consult the Secretary of State's website at <https://www.sos.state.co.us> to ensure compliance with applicable campaign finance laws.

## What is SearchLight Denver?

The Office of the Clerk and Recorder maintains the SearchLight Denver campaign finance database as a part of its role in elections administration. [SearchLight Denver](#) is a key component of the Office of the Clerk and Recorder's effort to promote accountable, transparent, and ethical government. Using this tool, the public can easily understand how campaign dollars are raised and spent. Any member of the public may search campaign finance reports. A user guide to SearchLight Denver is found on the Office of the Clerk and Recorder [campaign finance webpage](#).

For candidates and committees, SearchLight Denver serves as the portal through which all finance reports are filed. All candidate committees, ballot committees, small donor committees, and independent expenditures participating in Denver municipal elections are required to file information with the Denver Elections Division and open an account with SearchLight Denver. Once a committee is formed, it must electronically file regularly scheduled campaign finance reports documenting contributions made to the committee and expenditures spent by the committee, as specified in the [Denver Revised Municipal Code Section 15-35](#).

SearchLight Denver was launched in 2022 to support the requirements of the voter-approved Fair Elections Fund. The system promotes greater public transparency by helping the public easily understand who is donating and receiving money on behalf of all types of political campaigns.

## How will I use SearchLight Denver?

SearchLight Denver serves as the online portal for the submission of all required campaign finance reports. **All reporting must be done electronically, and no paper filings will be accepted.** Once campaign finance reports are reviewed and approved by the Office of the Clerk and Recorder, the reports will be automatically available for public view. Committees are responsible for providing accurate and complete information to the office.

## What is an election cycle?

For candidate committees, an election cycle represents the time between when a candidate may create a candidate committee until the end of the year in which an election is held. For example, the election cycle for the Denver municipal elections scheduled for 2023 began January 1, 2020, when candidates could file for elections. The election cycle will end December 31, 2023.

For ballot measure committees, the election cycle is the calendar year in which the issue or question is on the ballot. For example, the election cycle for ballot propositions that Denver residents will consider in November of 2022 will start on January 1, 2022 and conclude December 31, 2022.

Election Cycle	Start Date	Ending Date	Election Date
<b>2022 General Election, including federal and state offices, as well as municipal ballot questions and ballot issues</b>	January 1, 2022	December 31, 2022	November 8, 2022
<b>2023 Municipal Elections for Mayor, City Council, Auditor, and Clerk and Recorder, as well as municipal ballot questions and ballot issues</b>	January 1, 2020	December 31, 2023	April 4, 2023 Runoff Election (if needed) June 6, 2023

## What is the Denver Fair Elections Fund?

The Fair Elections Fund Act was passed by Denver voters in November 2018. The act established the Fair Elections Fund to empower small donors and limit the influence of large campaign contributors on municipal elections.

Candidates who choose to participate in the Fair Elections Fund must abide by a lower maximum contribution limit and refuse to accept contributions from political action committees. They may only accept contributions from individuals and small donor committees.

After a candidate qualifies for funding from the Fair Elections Fund, all individual donations from Denver residents of \$50 or less are matched nine to one by the fund, meaning a campaign can receive \$450 from the Fund for a \$50 contribution from a Denver resident.

The Fair Elections Fund is an \$8 million fund generated by an annual transfer from the City and County of Denver General Fund of \$2.88 for each Denver resident.

## I want to run as a Fair Elections Fund candidate. What do I need to know before I begin?

Candidates may voluntarily choose to participate in the Fair Elections Fund when running for office. Ballot initiative committees, small donor committees, and independent expenditures may not participate in the Fair Elections Fund.

Before choosing to participate in the Fair Election Fund, candidates should understand the requirements of the program, outlined in detail in [Chapter 6](#). Candidates who participate must undergo more stringent compliance requirements in the Campaign Finance Database and every report they file will be audited by the staff of the Office of the Clerk and Recorder.

In choosing to accept public money, a candidate must accept a lower contribution limit and is prohibited from spending money from the Fund on certain expenses, as outlined in [Chapter 6](#). Candidates who violate the rules of the Fair Election Fund risk losing funding from the program as well as incurring fines. **Hiring a bookkeeper or a professional compliance firm is strongly recommended for participating candidates to ensure compliance.**

## **Do I have to participate in the Denver Fair Elections Fund?**

No, candidates may choose not to participate in the Fair Elections Fund. Candidates who choose not to participate in the fund have higher contribution limits, outlined in [Chapter 4](#).

Ballot measure committees, small donor committees, and independent expenditures may not participate in the program.

## **I have additional questions on campaign finance issues. Who do I contact?**

The Office of the Clerk and Recorder's campaign finance unit is available to aid candidates and committees during normal city business hours from 8 a.m. to 5 p.m., Monday through Friday. The campaign finance unit is not available outside of business hours or on city holidays. The campaign finance unit can be reached at [campaignfinance@denvergov.org](mailto:campaignfinance@denvergov.org). ***No legal advice will be provided.***

In addition to fielding inquiries, the campaign finance unit offers in-person and online training to committees. For Fair Elections Fund Candidates, attendance is required. For non-Fair Elections Fund candidates and non-candidate committees, these trainings are optional but strongly encouraged. Please contact [campaignfinance@denvergov.org](mailto:campaignfinance@denvergov.org) for information on upcoming trainings.

# Chapter 2: Forming and Managing Candidate Committees

## Becoming a Candidate for Municipal Office in Denver

### Qualifications and Residency Requirements

Before opening a committee, potential candidates for office in the City and County of Denver must first ensure they meet the qualifications and residency requirements to run for municipal office. Requirements to run can be found online at the [Elections Division's Ballot Access site](#).

### Becoming a Candidate for Municipal Office in Denver

According to [Denver Municipal Code](#), a person becomes a candidate when one of the following occurs:

- A person publicly announces that they will seek office or seek reelection to their current office **and** the person has received contributions, in-kind contributions, or made campaign expenditures that aggregate to \$500 or more in the current election cycle.
- The person files nominating petitions.

Contributions and in-kind contributions received, and expenditures made prior to becoming a candidate must be reported on the first campaign finance report filed by the candidate.

Within 10 days of fulfilling one of those requirements and becoming a candidate, a candidate must file a statement of organization, a treasurer affidavit, and a financial disclosure statement with the Office of the Clerk and Recorder. **All three documents can be found online by a candidate or treasurer by logging into the candidates's SearchLight Denver committee page.**

### Statement of Organization

Within 10 days of becoming a candidate, the statement of organization must be filed. The statement must contain the name and address of the committee and the name of the candidate. It must also include the name, address, and phone number of the committee treasurer. If the committee has not appointed a treasurer, then the candidate serves as the treasurer for the committee.



If the committee has opened a bank account, the financial institution where the account is held must be listed on the statement of organization. If a committee files paperwork before opening a bank account, this may be left blank. When a bank account is opened, the committee should file updated paperwork with the name of the institution.

A candidate committee is authorized to collect contributions, receive contributions in-kind, and make expenditures on behalf of a candidate. A candidate may only have one candidate committee and is prohibited from having more than one candidate committee.

The template for the statement of organization can be found in SearchLight Denver under the “committee information” tab. Once the statement of organization is filled out, it must be mailed back or delivered to the Denver Elections Division at 200 W. 14<sup>th</sup> Ave Denver, CO 80204.

### **Treasurer Affidavit**

Within 10 days of becoming a candidate, a candidate committee must name a treasurer and file a treasurer affidavit. The treasurer affidavit must be filed out even if the candidate is serving as treasurer of his or her own committee.

The template for the statement of organization can be found in SearchLight Denver under the “committee information” tab. It must be filled out online, printed out, notarized by a registered notary, and mailed back or delivered to the Denver Elections Division at 200 W. 14<sup>th</sup> Ave Denver, CO 80204. Candidates are strongly encouraged to submit the treasurer affidavit in person to ensure that it is received and processed within the 10-day window.

If a candidate campaign wishes to change its treasurer, it must file a new treasurer affidavit within 10 days using the same steps above.

### **Finance Disclosure Statement**

All candidates, including incumbents seeking reelection, must file a financial disclosure statement within 10 days of becoming a candidate.

The financial disclosure statement can be found in each committee’s account in your committee information section within SearchLight Denver under the “filings” tab. In accordance with [Denver Municipal Code](#), the candidate must disclose sources of income, real property owned, the name of creditors owed more than \$5,000, and other information as specified on the disclosure statement template.



## Checklist for Candidates Running for Office

- Meet residency and qualification requirements**
- File a statement of organization**
- File a treasurer affidavit**
- File a financial disclosure statement**
- Contact Department of Elections for information on petition collection**

## Candidate Committee Reporting Requirements

Candidate committees must report contributions received and expenditures made. More detail on contributions and expenditures are found in [Chapter 4](#) and [Chapter 5](#).

All campaign finance reports are filed online using SearchLight Denver. The calendar for campaign finance reports is also posted on [SearchLight Denver](#). In addition, a PDF version of the calendar is available on the Office of the Clerk and Recorder [campaign finance webpage](#) under “User Resources.”

If a campaign finance deadline falls on a weekend or city holiday, then the deadline is moved to the next business day. In the case of any technical problem or system outage, the campaign finance deadline will also be extended.

### Reports of Major Contributors

In addition to the scheduled campaign finance report deadlines, candidate committees must report any contribution of \$500 or more received in the six days preceding an election. These reports, called reports of major contributors, must be filed within 48 hours of receipt. These reports must be filed within 48 hours regardless of if the deadline falls on a weekend or city holiday.

### Closing Your Committee

After an election, a candidate may choose to close his or her committee or leave it open. If the candidate wins their election, they may use the existing committee for a re-election campaign.

According to [Denver Municipal Code](#), candidate committees must expend all unexpended campaign contributions no later than nine years after the election for a candidate or nine years after the end of the term of office if the candidate is elected to public office, whichever is later.

To close a committee, the committee must report a zero-dollar balance. After a zero-dollar balance is reported, committees can be terminated through SearchLight Denver.

### Unspent Campaign Funds

Before a committee can close its accounts, all loans or unpaid obligations must be paid or forgiven. Any remaining funds must then be expended according to limitations set in [Denver Municipal Code](#). Candidate committees have several choices for how to spend unused campaign funds, and candidates who are elected to public office are given additional options.

## Legal Uses for Unexpended Campaign Funds: Candidate Committees

- Returned to the contributors
- Retained by the committee for use by the candidate in a subsequent campaign for any non-partisan office within the City and County of Denver
- Donated to a charitable organization recognized by the Internal Revenue Service
- Contributed to a candidate committee for any other candidate for elected office in the city
- Contributed to any political committee or issue committee organized to support or oppose any city or state ballot question or ballot issue, or any ballot issue or ballot question proposed by any other local government that includes territory within the city

## Additional Legal Uses for Unexpended Campaign Funds for Officeholders

Candidates who are elected to a public office are given additional options for spending unused campaign funds. These options allow officeholders to spend money on constituent communication, official travel, and other options. Unused campaign funds may not be spent on personal expenses or entertainment expenses.

- Voter Registration
- Political education, which includes obtaining information from or providing information to the electorate
- Postsecondary educational scholarships
- To defray reasonable and necessary expenses related to mailings and similar communications to constituents
- Any expenses that are directly related to such person's official duties as an elected official, including, but not limited to:
  - Expenses for the purchase or lease of office equipment and supplies,
  - Room rental for public meetings
  - Necessary travel and lodging expenses for legislative education such as seminars, conferences, and meetings on legislative issues
  - Telephone and pager expense



### Important:

Candidates who participate in the Fair Election Fund have additional limitations on unspent funds, as outlined in [Chapter 6](#).

Once all unspent funds have been legally expended, committees can close through SearchLight Denver. Committees with concerns or questions about expending unused funds or closing should reach out to [campaignfinance@denvergov.org](mailto:campaignfinance@denvergov.org).

In addition to the options named here for expending unspent funds, a candidate may transfer funds between committees if the candidate decides to run for a different elected office. For more information on committee transfers, see [Transferring Money Between Committees](#).

# Chapter 3: Forming and Managing Non-Candidate Committees

There are three types of non-candidate committees in Denver: Political Action Committees, Small Donor Committees, and Issue Committees. Each committee has its own purpose and compliance rules.

## Which type of committee should I open?

The below table provides an overview of the purpose of each committee.

Committee Type	Purpose
<b>Political Action Committee (PAC)</b>	Collect donations for the purpose of making contributions to candidate, issue, and political action committees. May not contribute to Fair Elections Fund candidates
<b>Small Donor Committee (SDC)</b>	Collect donations of up to \$50 from individuals for the purpose of making contributions to issue committees and candidates, including Fair Elections Fund candidates
<b>Issue Committees</b>	Advocate for or against the passage of a ballot measure, or fund signature gathering efforts to put a measure on the ballot

For questions about what committee type is appropriate for a given situation, contact the Office of the Clerk and Recorder at [campaignfinance@denvergov.org](mailto:campaignfinance@denvergov.org). If legal guidance is needed, contact a private attorney.

## Opening and Closing a Non-Candidate Committee

All non-candidate committees require the same documentation to open a committee: a statement of organization and a treasurer affidavit.

## Statement of Organization

Within 10 days of forming the committee, a statement of organization must be filed. The statement must contain the name and address of the committee. It must also contain the name, address, and phone number of the committee treasurer.

Any new committee must open a separate bank account for the committee's business to ensure proper segregation of funds and proper documentation of committee contributions and expenditures. The bank account name should include the name of the committee. It must not be comingled with any personal funds or used by any entity other than the committee.

If the committee has already opened a bank account, the financial institution where the account is held must be listed on the statement of organization. If a committee files paperwork before opening a bank account, this may be left blank. When a bank account is opened, the committee should file updated paperwork with the name of the institution.

A template for the statement of organization can be found within each committee's account in the committee information section within SearchLight Denver.

## Treasurer Affidavit

Within 10 days of forming the committee, the committee must name a treasurer and file a treasurer affidavit. The treasurer may be any person selected by the committee, but that person will be responsible for filing and maintaining campaign finance records. The treasurer must also preserve all campaign finance records required by the Office of the Clerk and Recorder for five years after campaign finance reports are filed.

The treasurer affidavit can be found in each committee's account in your committee information section within SearchLight Denver. It must be filled out online, printed out, notarized by a registered notary, and mailed back or delivered to the Denver Elections Division at 200 W. 14th Ave Denver, CO 80204. Committees are encouraged to drop off the treasurer affidavit in person to ensure it is received in the 10-day window.

If a committee wishes to change its treasurer, it must file a new treasurer affidavit within 10 days.



### Important:

Issue committees may only close once a zero balance is reached. If a committee maintains a balance, it is required to file monthly reports until the total balance is expended.

## **Closing a Non-Candidate Committee**

To close a non-candidate committee, the committee must report a zero-dollar balance. All loans or unpaid obligations must be paid or forgiven. After a zero-dollar balance is reported, committees can be terminated online through SearchLight Denver. Legal methods of dispensing unspent campaign funds for issues committees can be found in the [Issue Committee Unspent Campaign Funds](#) section.

Small donor committees and political action committees may stay open in perpetuity. However, as long as they are open, they must file all legally required campaign finance reports.

Campaigns with concerns or questions about expending unused funds or closing committees should reach out to [campaignfinance@denvergov.org](mailto:campaignfinance@denvergov.org) for support.

## **Political Action Committees (PACs)**

A PAC is a committee, club, association, local political party, or other group of persons not authorized by a candidate and formed for the major purpose of making contributions to candidate, issue, or political committees. If the committee raises \$500 or more during an election cycle or makes expenditures totaling \$500 or more, it must register with the Office of the Clerk and Recorder.

A committee that solicits contributions, deposits the contributions into their own bank account, and then distributes the contributions to candidate, issue or political committees must register as a PAC.

However, PACs do not include groups that solicit individual donations directly for a candidate without depositing the contributions in their own bank account.

## **How PACs can Raise and Spend Money**

PACs have no restriction on who may give or how much they can accept. Individuals, LLCs, labor organizations, business associations, and other organizations may give contributions without restriction.

PACs may contribute directly to non-Fair Elections Fund candidates if they do not exceed the contribution limit for the candidate. PACs are prohibited from contributing to a Fair Elections Fund candidate.

However, PACs are prohibited from making any expenditure for private purposes not reasonably related to influencing an election.



### **Example 1:**

Neighborhoods for Denver is a group of likeminded Denver residents. They invite John Denver for Mayor to attend one of their meetings. At the meeting, the President of Neighborhoods for Denver asks every member in attendance to contribute to the John Denver for Mayor candidate committee. Many members write checks and contribute online to John Denver for Mayor at the meeting.

**Neighborhoods for Denver does not have to register as a political action committee because they do not deposit the contributions in their own account.** They may ask their members to contribute freely if they do not deposit the contributions into their own account.

### **Example 2:**

Denverites for Clean Water is a group of likeminded Denver residents. They decide as a group to support John Denver for Mayor. 50 members of the group each contribute \$10 to Denverites to Clean Water. Then, Denverites for Clean Water writes a \$500 to John Denver for Mayor.

**Denverites for Clean Water must register as a political action committee.** They have made an expenditure of \$500 in an election cycle and collected money directly from members into their bank account.

## **PAC Reporting Requirements**

Political action committees must file campaign finance reports on the same schedule as candidates. All campaign finance reports are filed online using SearchLight Denver. The calendar for campaign finance reports is posted on [SearchLight Denver](#). In addition, a PDF version of the calendar is available on the Office of the Clerk and Recorder [campaign finance webpage](#) under “User Resources.”

In addition to the scheduled campaign finance report deadlines, PACs must report any contribution of \$500 or more received in the six days preceding an election. These reports, called reports of major contributors, must be filed within 48 hours of receipt, regardless of whether that deadline falls on a weekend or city holiday.

## **Small Donor Committees (SDCs)**

SDCs serve a similar function to PACs with additional restrictions. SDCs may collect contributions from individuals **only**, and may only accept up to \$50 per year, per individual.

SDCs are prohibited from taking money from non-individuals, including LLCs and other political committees. They are prohibited from accepting any donation larger than \$50 or collecting more than \$50 for any one individual in a calendar year.

Corporations and labor organizations may establish SDCs, and their members can contribute. However, corporations and labor organizations cannot directly contribute to SDCs and money contributed to an SDC cannot be given back to a corporation or labor organization for general use.

SDCs established by substantially the same group of persons will be treated as a single committee subject to contribution limits.

Unlike PACs, SDCs may contribute to Fair Elections Fund candidates. A Fair Elections Fund candidate can accept a contribution from an SDC up to 10 times the amount of the individual donation limit. SDCs have no limits on contributions to non-FEF candidates.

Office Sought	Individual Contribution Limit for FEF Candidates	SDC Contribution Limit for FEF Candidates	Individual Contribution Limit for Non-FEF Candidates	SDC Contribution Limit for Non-FEF Candidates
Mayor	\$500	\$5,000	\$1,000	No Limit
Councilmember-at-Large, Auditor, Clerk and Recorder	\$350	\$3,500	\$700	No Limit
District Councilmember	\$200	\$2,000	\$400	No Limit

### SDC Reporting Requirements

Small donor committees must file campaign finance reports on the same schedule as candidates and political action committees. All campaign finance reports are filed online using SearchLight Denver. The calendar for campaign finance reports is also posted on [SearchLight Denver](#). In addition, a PDF version of the calendar is available on the Office of the Clerk and Recorder [campaign finance webpage](#) under “User Resources.”

### Issue Committees

Issue committees are formed for the purpose of supporting or opposing a ballot issue or ballot questions. Any committee, club, association, corporation, or other group of persons that receives contributions or contributions in-kind aggregating \$500 or more during an election cycle and makes expenditures aggregating \$500 or more during an election cycle for the purpose of supporting or opposing a ballot issue or question must register with the Office of the Clerk and Recorder.

An issue committee may advocate for or against one or more ballot issues or committees. Issue committees do not include political parties, political committees, or candidate committees as otherwise defined in this manual.

## **How Issue Committees Can Raise and Spend Money**

Issue committees have no restriction on who may give or how much they may give. Individuals, LLCs, labor organizations, business associations, and other organizations may give contributions without restriction.

Issue committees may make expenditures to support or oppose ballot measures or ballot questions. They may choose to support or oppose multiple measures or questions. They are prohibited from using any contribution for private purposes not reasonably related to influencing an election.

## **Issue Committee Reporting Requirements**

Once an issue committee is created, it must file monthly reports until the issue is voted on. In addition, an issue committee must file a pre-election report, a post-election report, and a year-end report.

All campaign finance reports are filed online using SearchLight Denver. The calendar for campaign finance reports is also posted on [SearchLight Denver](#). In addition, a PDF version of the calendar is available on the Office of the Clerk and Recorder [campaign finance webpage](#) under “User Resources.”

In addition to the scheduled campaign finance report deadlines, issue committees must report any contribution of \$500 or more received in the six days preceding an election. These reports, called reports of major contributors, must be filed within 48 hours of receipt. These reports must be filed within 48 hours regardless of whether the deadline falls on a weekend or city holiday.

If an issue committee fails to collect enough signatures to put an issue on the ballot, it must file monthly reports until it is closed. After an election, an issue committee may also stay open and rededicate itself to advocate for or against another ballot issue or ballot question.

Issue committees that do not rededicate themselves to another ballot issue or question should close their committees by the end of an election cycle pursuant to Election Rule 3.2.5. As with all committees, an issue committee must report no debt and a zero-dollar balance before closing.

## **Issue Committee Unspent Campaign Funds**

Any remaining funds held by an issue committee after an election must then be expended according to limitations set in [Denver Municipal Code](#). Issue committees may donate any unspent campaign funds to the Fair Elections Fund or to any charitable organization recognized by the I.R.S.

# Chapter 4: Raising Money

## Contribution Basics

Candidates and committees may accept contributions by check, online credit card payment, money order, or cash. Cash donations of over \$50 may not be accepted. If a cash donation of over \$50 is received, the amount over \$50 must be returned to the contributor or remitted to the Office of the Clerk and Recorder within 72 hours.



### Important:

Donations to Fair Elections Fund candidates are subject to additional information requirements as outlined in [Chapter 6](#).

When a committee solicits or accepts contributions, it must collect the name and address of each contributor. For contributors who make an aggregate of \$200 or more in donations over the course of a calendar year, the occupation and employer of the contributor must be collected and reported.

It is strongly recommended that committees use a donation form to collect this information at the time of the contribution. A sample donation form is found below.

### Sample Donation Form for Non-Fair Election Fund Candidate

Full Name:	_____	Date:	_____
Amount of Donation:	_____		
Home Address:	_____		
City:	_____	State:	_____
		Zip:	_____
Telephone:	_____		
Occupation:	_____	Employer:	_____

Although contributors who donate less than \$200 in a year are not required to disclose their employer and occupation, the Office of the Clerk and Recorder recommends that all committees collect and disclose this information. That way, if a donor makes an additional contribution that puts him or her over the \$200 aggregate limit, the campaign has all the information necessary to file their legally required reports.

## Candidate Contribution Limits

Candidates running for Denver office must abide by contribution limits. Candidates who chose to participate in the Fair Elections Fund have lower limits than candidates who do not participate. More detail on the Fair Elections Fund is found in [Chapter 6](#).

Office Sought	Contribution Limit	Participating in Fair Elections Fund Limit
Mayor	\$1,000	\$500
City Council At-Large	\$700	\$350
Clerk and Recorder	\$700	\$350
Auditor	\$700	\$350
City Council District	\$400	\$200

## In-Kind Contributions

Contributions may be made in one of two ways: as a monetary contribution or an in-kind contribution. An in-kind contribution is any non-monetary donation made to a committee for the purpose of influencing an election.

For example, if a supporter of a candidate donates a computer to the candidate for use by the campaign, that is an in-kind contribution that must be reported. When reporting an in-kind contribution, a reasonable estimate of fair market value must be used. In-kind contributions are subject to the same value limits as monetary contributions. A candidate may not accept in-kind donations with a fair market value over the contribution limit. The contribution limit for monetary and in-kind donations aggregate, meaning together they may not exceed the contribution limit.

### Example:

Molly Brown, the owner of a bakery, supports the John Denver for Mayor committee. For a campaign event, she donates \$500 worth of cake to the committee. After the event, she makes a \$500 contribution by check to the committee. She has now hit the contribution limit of \$1,000 for a non-Fair Elections Fund candidate and **is prohibited from donating additional money or goods to the committee.**

An item that is loaned to a committee for its use must be reported as an in-kind contribution in the same manner as an item that is given to the committee.

For the purposes of financial disclosures, the same information must be collected and reported for monetary and in-kind contributions. Volunteer time is not considered an in-kind donation and does not have to be reported.

### Office Space Exemption

Pursuant to Election Rule 3.1.8, office equipment and space are exempt from the in-kind donation cap. Fair market value should be calculated for donated office equipment and office space. For office space, fair market value should be based on the square footage and price of comparably located and sized office space.



### Important:

Candidates may accept unlimited discounted or free office space, but they must report a fair market value for the office space.

### Who Can Contribute?

Candidates who are not participating Fair Elections Fund candidates may accept donations from individuals, small donor committees, political committees, and other candidate committees. Candidates who are participating in the Fair Elections Fund may only accept contributions from individuals and small donor committees.



## **Important:**

No candidate may accept contributions from corporations, LLCs, partnerships, labor unions, or unincorporated associations.

### **Candidate Personal Funds**

For candidates who are not participating in the Fair Elections Fund, candidate contribution limits do not apply to personal funds donated by a candidate to his or her own committee. A non-Fair Election Fund candidate may donate any amount of money to his or her campaign.

For Fair Elections Funds candidates, see [Chapter 6](#) for more information on candidate personal funds.

### **Anonymous Contributions**

Anonymous contributions of any size are strongly discouraged. Anonymous contributions of less than \$50 may be accepted and reported as anonymous donations. If an anonymous donation of more than \$50 is received, the amount of money received over \$50 must be remitted to the Office of the Clerk and Recorder with 72 hours.

### **Age and Citizenship Requirements for Donors**

All contributors must be 18 years or older on the date the donation is made. Contributors do not have to be citizens of the United States to donate to campaigns if they are legal permanent residents. This includes green card holders. Those on temporary visas and undocumented residents are prohibited from contributing.

### **Refunds and Bounced Checks**

Committees are required to issue refunds to any contributor who gives more than the applicable contribution limit. In addition, bounced checks must be reported as a contribution that has been refunded. If a contributor requests a refund, the committee may also choose to issue a refund at their discretion.

### **How can I raise money?**

Committees may raise money in many ways. For example, they may host events, send email, mail solicitations, and raise money over the phone.

Committees are prohibited from “pass the hat” fundraising in which money is raised anonymously. Additionally, committees are prohibited from selling raffle tickets to raise money.

Goods, like candidate-branded t-shirts and mugs, may be sold but they must be reported as contributions and count toward the individual's contribution limit.

### **Example:**

A non-Fair Elections Fund candidate for district council sells sweaters for \$50 to raise money for their campaign. Molly Brown purchases two sweaters for \$100. She may donate up to \$300 more to the candidate committee before she hits her \$400 contribution limit.

Committees may raise money through an auction. However, all items auctioned must be documented as goods purchased or in-kind contributions.

## **Loans**

There are three types of loans that a committee may solicit: commercial loans, individual loans, and candidate loans.

According to the Denver Municipal Code and Elections Rules, a loan is a type of contribution. This means that loans made to candidates must adhere to the individual contribution limits for candidates.

### **Commercial Loans**

Committees may seek financing from commercial lenders. If a committee accepts a commercial loan, it must not receive special treatment compared to other banking customers. The loan must be made in writing, with a due date or amortization schedule, and an interest rate typical of the lending institution.

On the next campaign finance report, the committee accepting the commercial loan must report the loan. They must include the identification of the lender, the amount, the method of disposition, the balance due on the loan, and the terms of interest.



### **Important:**

Fair Elections Fund candidates may not accept commercial loans or loans from other individuals. For more information on Fair Elections Fund candidate loans, see [Chapter 6](#).



## **Individual Loans**

Committees may accept loans from individuals up to the contribution limit for their committee type or office. For example, a non-Fair Elections Fund candidate for mayor may accept a \$1,000 loan from an individual.

An unsecured loan will be reported as a contribution from the lender. A secured or guaranteed loan must be reported as a contribution from the guarantor or person whose property secures the loan.

An individual may forgive their loan at any point. The balance of a forgiven loan counts toward the individual contribution limit.

## **Candidate Loans**

A non-Fair Elections Fund candidate may loan their committee any amount of money. This may be forgiven or paid back with money raised from the committee. Candidate loans must be made interest-free and the candidate may not personally profit on the loan repayment.

# Chapter 5: Spending Money

When committees spend money, it is called an expenditure. While committees have flexibility to make expenditures, there are legal limitations on this spending.

## What is an Expenditure?

An expenditure means the purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value, made by any person for the purpose of influencing an election. Expenditures include transfers of money between committees, covered later in this chapter.

An expenditure occurs when the actual payment is made, not when the goods or services are rendered.

### Example:

The John Denver for Mayor committee orders \$1,000 worth of campaign signs from Colorado Sign Company. On September 1, Colorado Sign Company sends an invoice to the committee for payment. **If the John Denver for Mayor committee pays the invoice on September 5, then the expenditure occurred on September 5.**

## Documenting and Reporting Expenditures

All expenditures made by a committee must be reported using SearchLight Denver. Records and receipts may be requested by the Office of the Clerk and Recorder at any time.

When a committee files a campaign finance report, the following information is required for all expenditures:

- Name of person or vendor paid
- Address of person or vendor
- Date of expenditure
- Amount of expenditure
- Type of goods or services purchased



## Important:

Fair Elections Fund candidates are subject to additional regulation of public campaign funds, see [Chapter 6](#) for more information

## What is an Acceptable Expenditure?

Committees are limited to spending campaign funds for purposes that are reasonably related to influencing an election.

Committees who are unsure if an expenditure is an acceptable use of campaign funds are encouraged to contact the Office of the Clerk and Recorder for clarity before making the expenditure.

Examples of <i>Acceptable</i> Expenditures:	Examples of <i>Unacceptable</i> Expenditures:
<ul style="list-style-type: none"><li>• Staff salaries</li><li>• Voter contact by mail, radio, TV, social media, and other mediums</li><li>• Signs, pamphlets, leaflets</li><li>• Food and drink for purposes related to the campaign</li><li>• Consulting, polling, and other campaign support services</li></ul>	<ul style="list-style-type: none"><li>• Mortgage or car payments</li><li>• Travel unrelated to campaign</li><li>• Food and drink for purposes unrelated to campaign</li><li>• School tuition or fees</li></ul>

In addition to reporting required by Denver campaign finance law, campaigns must follow all applicable local, state, and federal laws. For example, campaigns must pay applicable taxes on goods ordered and applicable payroll taxes.

## Unpaid Obligations

An unpaid obligation is the promise or agreement to make an expenditure that is more than 30 days overdue. If an unpaid obligation is greater than \$500 or more than thirty days overdue, it must be reported on the next campaign finance reporting period.

### Example:

The John Denver for Mayor committee orders \$1,000 worth of campaign signs from Colorado Sign Company. On September 1, Colorado Sign Company sends an invoice to the committee for payment. If the John Denver for Mayor committee does not pay the invoice by the date of the next campaign finance reporting period, **they must report it as an unpaid obligation because it is over \$500.**

Unpaid obligations are reported with similar information as expenditures. The committee must list the name and address of the person or vendor, the due date of the obligation, the purpose of the obligation, and the past due amount of the obligation.



### Important:

All committees are required to obtain and keep receipts for all expenditures through the course of the election cycle. It is also strongly encouraged that all committees make expenditures by check or debit card to keep a clear record of where money is spent. **Making expenditures in cash is strongly discouraged.**

## Transferring Money Between Committees

### Transfers to Candidate, Issue, and Political Action Committees

A transfer of money from one candidate or political committee to another is considered a contribution to the committee receiving the transfer. These transfers are subject to the campaign finance limit of the receiving committee.

## **Transfers between Candidate Committees for Different Offices**

When transferring money between candidate committees authorized by the same candidate, an unlimited amount of money may be contributed if the committee sending the money is closed within 10 days of the contribution.

For example, if a candidate for district council opens a new committee for the purpose of running for auditor, the candidate may contribute the entire balance of the district council committee to the new committee, regardless of size. After the transfer is made, the older committee must be closed within 10 days.

## **Transferring Money to Committees outside Denver**

Transferring money to committees running for office in other jurisdictions is prohibited. This includes state legislative, federal, and municipal committees outside of Denver. The only exception is state ballot questions. Any committee besides a Fair Elections Fund candidate's committee may transfer money from a municipal committee to a committee organized to support or oppose a state ballot question.

# Chapter 6: Fair Elections Fund

## Candidates

### Introduction to Fair Elections Fund

#### Background

Denver voters passed the Fair Elections Fund Act in November 2018. The goal of the fund is to limit the influence of large campaign contributors and empower small dollar donors. It accomplishes this by lowering the campaign contribution limit and matching donations of up to \$50 nine-to-one.

Candidates for mayor may receive up to \$750,000 from the fund. Candidates for at-large councilmember, clerk and recorder, and auditor may receive up to \$250,000. Candidates for district councilmember may receive up to \$125,000.

The Fair Elections Fund is funded by an annual appropriation of \$2.88 per Denver resident per year from the city's general fund. The Fund may not exceed \$8 million in size and the city council may withdraw money from the account in the case of a fiscal emergency. These numbers will be adjusted for inflation every four years starting in 2024.

The complete rules and regulations regarding participation in the Fair Election Fund are found in the [Denver Fair Elections Fund Act](#) and the [Election Rules](#).

#### Who may participate?

Candidates running for the office of mayor, city council, clerk and recorder, and auditor are eligible to participate in the Fair Election Fund.

Ballot measure committees, issue committees, and small donor committees may not participate and are not subject to the additional regulations put forward by the Fair Elections Fund Act or Election Rules regulating the implementation of the fund.

#### Qualifying Period for Fair Election Fund

The qualifying period for Fair Elections Fund candidates starts on the same day of the elections cycle, which is January 1 immediately following the last election for the position. For the 2023 municipal elections, the qualifying period began January 1, 2020. The qualifying period ends 50 days before the election date.

For special or vacancy elections, the qualifying period starts the day the notice of election is made and ends on the date of certification or 50 days before the election date.

## Candidate Personal Funds and Seed Money

For candidates participating in the Fair Elections Fund, candidates may not donate more than the individual contribution limit to their campaign. However, a candidate may personally loan up to \$5,000 to his or her campaign as seed money. The loan must be repaid with campaign funds but must not be repaid with any public money from the Fair Elections Fund. Up to the individual contribution limit may be forgiven as a candidate contribution but the rest of the loan must be repaid.

### Example:

Miles Bronco is a new Fair Elections Fund candidate for mayor. He decides to loan his campaign \$2,500 in seed money. He must repay the loan using non-Fair Elections Fund money.

After raising money from donors, he pays back \$2,000 of the loan balance using money raised from individuals and small donor committees. He forgives the last \$500 as a contribution from himself. He has hit the contribution limit and may not contribute any more funds to his campaign.

## How do I qualify for Fair Elections Funding?

Candidates seeking matching funds from the Fair Elections Fund must fulfill the following requirements during the qualifying period:

### 1. File an Intent to Seek Certification.

Pursuant to Election Rule 3.9.3 (A), candidates must file an intent to seek certification before soliciting or collecting qualifying contributions. Any contribution made before the candidate files his or her intent is not a qualifying contribution.

The intent to seek certification may be made after the beginning of the qualifying period. Candidates must fill out their intent to seek certification through their SearchLight Denver account.

## 2. Complete Required Fair Election Funds Training

In order to comply with Election Rule 3.9.3 (a), candidates seeking certification to participate in the Fair Elections Fund are required to complete a training from the staff of the Office of the Clerk and Recorder within 20 days of filing their intent to seek certification. If the candidates fail to attend a training, the clerk will not consider a reduction or waiver to any fine assessed for violation of Denver Municipal Code and/or the Election Rules.

Trainings are offered in-person and online. While the candidate and treasurer are required to attend, it is strongly recommended that any campaign volunteers or staff who will be involved in fundraising or bookkeeping attend. Additional trainings can be requested at any time by a committee.

To schedule a training, contact the Office of the Clerk and Recorder campaign finance unit at [campaignfinance@denvergov.org](mailto:campaignfinance@denvergov.org).

## 3. Collect Qualifying Contributions

Once the intent to seek certification has been submitted with the Office of the Clerk and Recorder, a candidate may begin soliciting and accepting qualifying contributions. In order to participate in the program, candidates for mayor must collect 250 qualifying contributions and candidates for all other offices must collect 100 contributions.

For a contribution to be classified as a qualifying contribution, it must be made during the qualifying period by a Denver resident in an amount between \$5 and the campaign contribution limit for the office. For more limits on campaign contributions, see the table below.

Contributions from donors outside Denver city limits are not considered qualifying contributions. Contributions made before a candidate files an intent to seek certification are not considered qualifying contributions.

Office Sought	Number of Qualifying Contributions Needed	Maximum Donation that may be Accepted
Mayor	250	\$500
Councilmember-at-large, Auditor, Judge, or Clerk and Recorder	100	\$350
District councilmember	100	\$200



Contributors who make qualifying contributions must receive a receipt that includes the contributor's name, home addresses, telephone number and name of the candidate receiving the contribution.



### Important:

A copy of completed receipts for all qualifying contributions must be submitted with the application for certification as a participating candidate, and any contribution for which a candidate has not obtained a fully completed receipt shall not be counted as a qualified contribution.

The receipt must also indicate that the contributor understands that the purpose of the contribution is to help the candidate qualify for campaign funding from the Fair Elections Fund, that the contribution up to \$50 will be matched by the Fund by 900%, and that the contribution is made without coercion or reimbursement. The receipt must be given to the contributor and a copy of the receipt retained by the committee.

The Office of the Clerk and Recorder strongly encourages candidates to preclear their receipt format before collecting contributions.

### Sample Donation Form and Receipt for a Contribution to a Fair Election Fund Candidate by Check or Electronic Contribution

Full Name: \_\_\_\_\_ Date: \_\_\_\_\_

Amount of Donation: \_\_\_\_\_ Home Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_

Occupation: \_\_\_\_\_ Employer: \_\_\_\_\_

I understand that the purpose of the contribution is to help CANDIDATE NAME qualify for campaign funding from the Fair Elections Fund. I understand that up to \$50 of my contribution will be matched by the Fund by 900% percentage. This contribution is made without coercion or reimbursement.

Paid for by [Committee Name]

Contributions made in cash require a signed and dated receipt according to Election Rule 3.9.4.

### Sample Donation Form and Receipt for a Contribution to a Fair Election Fund Candidate in Cash

Full Name: _____	Date: _____	
Amount of Donation: _____	Home Address: _____	
City: _____	State: _____ Zip: _____	
Telephone: _____		
Occupation: _____	Employer: _____	
I, the undersigned, understand that the purpose of the contribution is to help CANDIDATE NAME qualify for campaign funding from the Fair Elections Fund. I understand that up to \$50 of my contribution will be matched by the Fund by 900% percentage. This contribution is made without coercion or reimbursement.		
Signature: _____		
<table border="1"><tr><td>Paid for by [Committee Name]</td></tr></table>		Paid for by [Committee Name]
Paid for by [Committee Name]		

If a credit card processor or other third-party vendor is unable to meet the parameters of this rule, committees may email each contributor a receipt containing this information to comply with Sec.15-53 (a) (3) of the Denver Municipal Code. Copies of each receipt must be retained by the candidate for two years after the election in which he or she is a candidate.

#### 4. Gather Supporting Material for Qualifying Contributions

To comply with Election Rule 3.9.4, candidates must maintain supporting material for all qualifying contributions. They must continue to do so with all match eligible contributions after certification. The supporting material must include:

- A copy of the deposit slip and deposit receipt for each qualifying or matching contribution.
- Documentation showing that a contribution was made, such as:
  - For contributions made by check, a copy of the check itself;

- For contributions made by credit card or a payment intermediary, a receipt showing the accountholder's name, the accountholder's billing address, the date the transaction was initiated, and the amount of the contribution; or
- For cash contributions, a signed and dated receipt that includes the committee's name, the amount of the contribution, and the contributor's name and home address in Denver.

## **5. File Disclosure Reports While Qualifying**

Candidates seeking certification for Fair Election Funds are required to file campaign finance reports on the same schedule as all other candidates.

While seeking certification, all reports filed must include a copies of qualifying contribution receipts received thus far according to Election Rule 3.9.3 B.

If the candidate receives any contributions over the contribution limit established for the office, the amount above the limit must be returned before applying for certification.

## **6. Open a Separate Bank Account**

Pursuant to Election Rule 3.9.5, a candidate who seeks certification must open a separate bank account before receiving funding from the Fair Elections Fund. The separate bank account may be at the same or a different financial institution, but the accounts must not be tied. Access to the account must be limited to the candidate, treasurer, and assistant treasurer, if applicable. All persons with access to the bank account must have completed the training described in step two.

All money received from the Fair Elections Fund must be segregated and not commingled with any other funds, including other campaign funds.

## **7. File an Application for Certification as a Participating Candidate**

Once a candidate has collected more than the minimum number of qualifying contributions, the candidate may file an application for certification as a participating candidate. It is recommended that candidates submit more than the minimum number of qualifying contributions to ensure that the campaign may qualify as a participating candidate if some submitted qualifying contributions are rejected.

The application for certification can be submitted through a committee's SearchLight Denver account. The application for certification requires that candidate certify that, under penalty of perjury, the candidate has complied with campaign finance regulations to date, filed all required reports accurately to date, and will comply with the Fair Elections Fund requirements for participating candidates.

Once an application for certification has been submitted, the Office of the Clerk and Recorder will determine eligibility and notify the candidate within 10 business days in accordance with Sec. 15-55 (a) of the Denver Municipal Code. The Office of the Clerk and Recorder has the authority to request additional documentation from candidates seeking certification in accordance with Sec. 15-54 (d) of the Denver Municipal Code.

If the Office of the Clerk and Recorder determines that a candidate is not certified, the candidate must inform the office whether the candidate will attempt to re-apply for certification by providing additional qualifying contributions and/or additional documentation on previous qualifying contributions that have been deemed insufficient. A candidate who will re-apply must continue to comply with the requirements of the Denver Fair Elections Act and Election Rule 3.9. A candidate may re-apply until the close of the qualifying period.

If the candidate informs the Office of the Clerk and Recorder that they do not intend to re-apply for certification, they are not required to comply with the provisions of the Fair Elections Fund that govern certified candidates, such as the lower donation caps. After notifying the Office of the Clerk and Recorder that the candidate does not intend to re-apply, the candidate may not seek certification again during the same election cycle.

## **I've Been Certified as a Fair Elections Participating Candidate. Now What?**

After becoming a certified participating candidate, the Fair Elections Fund will begin matching donations up to \$50 from Denver residents at a rate of 900%. The campaign must continue to abide by the restrictions above and only accept contributions from individuals or small donor committees. Additionally, a candidate campaign must still collect the information noted above for each contributor in order to maintain status as a participating candidate.

Even after being certified as a participating candidate, the Office of the Clerk and Recorder may request any information or documentation related to campaign expenditures and contributions. Candidates must comply with those requests.

### **Additional Reporting for Food, Beverage, and Travel**

Participating candidates must keep a record for all food, beverage, and travel-related expenditures paid for by money received from the Fair Elections Fund. These requirements are outlined in Election Rule 3.9.5 (b).

For any food and beverage expenditure over \$50 paid for by Fair Elections Fund dollars, a candidate must keep an itemized receipt of the expenditure. That receipt must be uploaded into SearchLight Denver and reported on the next campaign filing deadline. The campaign must also provide a specific campaign-related purpose for the food and beverage purchase.

For any travel related expenditures paid for by Fair Elections Fund dollars, a candidate must report the travel on SearchLight Denver on the next campaign filing deadline. The candidate must provide a specific campaign-related purpose for the travel.

Candidates may reimburse themselves for vehicle miles traveled, but a record must be maintained showing the dates of travel, the number of miles traveled, purpose of travel, and total amount claimed for reimbursement.

## Fines

Any fine that is assessed by the clerk and recorder may not be paid for by money received from the Fair Elections Fund. Election Rule 3.9.5 (c) prohibits public money from being used to pay fines. Money raised from donors must be used to pay any fine levied by the clerk and recorder.

## Fair Election Fund Payment Limits

Participating candidates receive payments on all match eligible contributions until they reach the maximum aggregate payment.

Office Sought	Maximum Aggregate Fair Elections Fund Payment
Mayor	\$750,000
Councilmember-at-large, Clerk and Recorder, and Auditor	\$250,000
District Councilmember	\$125,000



### Important:

A candidate may continue to raise money in accordance with the Fair Election Funds contribution limits after receiving the aggregate maximum payment from the Fair Election Fund. However, those contributions exceeding the limit will not be matched.

## **Fair Elections Funds Payment Schedule**

Once a candidate has been determined to be a participating Fair Elections Fund candidate, they are eligible for disbursements of matching funds based on the schedule outlined in the Fair Elections Fund Act.

The first payment to participating Fair Elections Fund candidates will occur on August 15, 2022. After that, a payment will be made after each campaign finance report is submitted. The last payment will occur 14 days before the election date.

Candidates who file late reports are not guaranteed to receive payment on this schedule. Payments for candidates who file late may be delayed.

## **Fair Elections Fund Payment Schedule**

The first payment to participating Fair Elections Fund candidates will be made on August 15, 2022. After the initial payment, future payments will be authorized in conjunction with the filing of campaign finance reports. The final payment to participating candidates will be made on March 21, 2023.

A candidate who has been certified may submit donations to be matched through any of their campaign finance reports. They will receive funding for each payment in which they submit match eligible contributions.

If a candidate is still in the qualification process, they are not eligible for payments. However, if they are certified as a participating candidate, they will receive a match for all eligible donations in the next payment according to the payment schedule.

### Example 1:

Miles Bronco is a candidate for mayor. He submits more than 250 qualifying contributions to the Office of the Clerk and Recorder in April 2022, more than the 250 he needs to qualify to be a certified participating candidate. The office confirms that Miles Bronco has submitted enough contributions and certifies him as a participating candidate.

Although he is now a participating candidate, he will not receive his first payment until August 15, 2022. The payment will provide a match for all contributions received through July 31, including the qualifying contributions he submitted in April.

### Example 2:

Rocky the Mountain Lion is a candidate for district city council. He submits more than 100 qualifying contributions on January 25th, 2023 and becomes a participating candidate on February 4 when he is certified by the clerk. He has not received a Fair Elections Fund payment yet. **He will receive his first payment after he files his next campaign finance report.**



### Important:

All Fair Elections Fund payments will be made by electronic transfer to a bank account designated to receive Fair Elections Fund payments only. These funds may not be comingled with other campaign funds for any reason.

### Run-Off Elections

If any election for municipal office goes to a run-off election, participating Fair Election Fund candidates in good standing with the program will receive a one-time payment equal to 25% of their total Fair Election Fund payments to date. The payment will be made promptly after the election is certified.

Run-off election payments are exempt from the aggregate Fair Election Fund Limits.

### **Example:**

Chip the Buffalo is a participating Fair Elections Fund candidate for auditor. Chip receives \$225,000 from the Fair Elections Fund before the election. Chip is the second highest vote getter, but no candidate receives 50% of the vote, so a runoff is held.

Chip will receive 25% of the amount of the funds he previously received for the runoff. Therefore, Chip will receive \$56,250 from the fund.

### **Withholding Payments**

The Office of the Clerk and Recorder may withhold payment if they determine that a candidate is not adhering to the rules and regulations of the Fair Elections Fund. In that case, the office shall provide each participating candidate with a written determination specifying the basis for any non-payment of funds from the Fair Elections Fund.

A candidate who receives a determination from the Office of the Clerk and Recorder may immediately petition for reconsideration of payment in writing to the Office of the Clerk and Recorder. The petition for reconsideration may include any supporting information that addresses issues raised in the determination. The Office of the Clerk and Recorder will issue a response within five days of receiving the petition. All payments will be withheld until any investigation is complete.

### **Uncontested Elections**

In order to receive Fair Elections Fund payments, a candidate must be in a contested race. In accordance with D.R.M.C. 15-53 (a) (4), all races will be considered contested until after ballots are certified. Once ballots are certified, if only one candidate is to be listed on the ballot then all Fair Elections Fund payments to the candidate will cease.

If at the time of ballot certification, a candidate does not have an opponent, the Office of the Clerk and Recorder will de-certify the candidate from the program. A de-certified candidate may not spend or commit any public matching funds, except to satisfy obligations entered before de-certification.

Election Rule 3.9.3 (d) requires a de-certified candidate return any unexpended money received from the Fair Election Fund back to the Fund within 60 days of notice from the Office of the Clerk and Recorder. A decertified candidate may continue to raise and spend public money.

### **Insufficient Program Funds**

If the clerk and recorder determines that there are insufficient funds in the Fair Elections Fund to adequately fund all participating candidates, the clerk and recorder will notify participating candidates.



If the clerk and recorder is unable to make a full payment to a candidate, that candidate will have their contribution limits raised to the limit for non-Fair Elections Fund candidates according to D.R.M.C. 15-58. Additionally, they are no longer subject to the reporting requirements for participating candidates in D.R.M.C. 15-53 and 15-54.

### **Return of Items Purchased with Fund Dollars**

Except for purchases under \$50, property that has been purchased with money received from the Fair Elections Fund must be liquidated at its fair market value and the proceeds reimbursed to the Fund as unspent funds. Yard signs, shirts, flyers, and other similar campaign items are all considered under the \$50 threshold and do not need to be liquidated.

### **Debates**

Participating candidates must agree to participate in at least two public debates with opponents in the general election and at least one public debate with the opponent in a run-off election if offered. If the candidate is running in an uncontested election, the debate requirement is waived.

The Office of the Clerk and Recorder will select a community sponsor or sponsors to host the debates, which are required to be at least one hour long. The community sponsors may not be affiliated with a political party, a candidate, or an officeholder. The community sponsor may also not have endorsed any candidate in the race to be eligible to host the debate.

The Office of the Clerk and Recorder will promulgate rules for community sponsors before the 2023 municipal election. Interested sponsors may contact [campaignfinance@denvergov.org](mailto:campaignfinance@denvergov.org) for details.

# **Chapter 7: Independent Expenditures and Electioneering Communications**

Independent expenditures and electioneering communications are reported differently than other political spending. This section describes the reporting process for independent expenditure and electioneering communications made outside of a registered candidate, issue, or political committee.

## **Independent Expenditures**

Independent expenditures are expenditures made by any person for the purpose of expressly advocating the election or defeat of a candidate or supporting or opposing a ballot issue or ballot question that is not controlled by, or coordinated with, any candidate or issue committee or agent of a candidate or issue committee.

Independent expenditures do not include news articles, opinion writing, editorial endorsements, or communications made in the regular course of business by a membership organization solely to members of the organization.

An expenditure that is controlled by or coordinated with a candidate or issue committee is not an independent expenditure and should instead be reported as a contribution or expenditure by the candidate or issue committee.

## **Electioneering Communications**

Electioneering communications are any communication broadcasted by television or radio, printed in a newspaper or on a billboard, directly mailed or delivered by hand to personal residences, placed on a website, streaming media service, or online forum for a fee, or a pre-recorded audio message delivered by telephone, that refer to a candidate, ballot issue or ballot questions and distributed within 60 days before a general election until after a run-off election.

Electioneering communications do not include news articles, opinion writing, editorial endorsements or communications made in the regular course of business by a membership organization solely to members of the organization.

Electioneering communications by candidate committees, political action committees, and issue committees are reported through the regular campaign finance reports outlined in [Chapter 2](#) and [Chapter 3](#). *No additional reporting is required for electioneering communications made by these committees.*

## **Independent Expenditures and Electioneering Communications Raising and Spending Money**

Independent expenditures and electioneering communications made by groups other than registered committees differ significantly from spending directly by committees. Unlike all other committee types, individuals or groups making independent expenditures or electioneering communications are prohibited from coordinating with issue and candidate committees. They must make all expenditure decisions without coordination with any issue or candidate committee, or their agents. That includes members of the committee, employees of the committee, or any other person acting on behalf of an issue or candidate committee.

Independent expenditures and electioneering communications have no restriction on who may give or how much they may accept. Individuals, LLCs, labor organizations, business associations, and other organizations may give contributions without restriction.

Independent expenditures and electioneering communications may not contribute to any other committee. Independent expenditures and electioneering communications may make any expenditure in support or opposition of a candidate, ballot issue, or ballot question.

## **Independent Expenditures and Electioneering Communications Reporting Requirements**

Independent expenditures and electioneering communications reporting requirements are more stringent than all other committees. Once a person or group makes independent expenditures or electioneering communications aggregating more than \$500, it must file a campaign finance report with the Office of the Clerk and Recorder within 48 hours.

Once the \$500 threshold is met, an independent expenditures and electioneering communications must file a campaign finance report for every additional independent expenditure or electioneering communication, regardless of the amount, within 48 hours. An independent expenditure is made when money is spent or when there is a contract to spend a fixed amount of money.

## Example:

The Independent Expenditure Denver for Good Government signs a contract with a local TV station for \$20,000 to air television ads in support of a candidate for mayor on January 15. The committee mails a check the following day and the television ads start the following week. Regardless of when the check is mailed and the ads start, **the expenditure must be reported within 48 hours** on January 17 because the contract was finalized on January 15.

Unlike the deadline for other committees, IE committees must file their 48-hour reports regardless of whether the deadline falls on a weekend or city holiday. For example, an independent expenditure made on a Friday at noon must be reported by Sunday at noon.

A person wishing to report an independent expenditure or electioneering communication must create a SearchLight Denver account. All required reports for independent expenditure and electioneering communications will be filed through SearchLight Denver.

The reports must contain:

- The name of the person or group making the communication
- The employer and occupation of the person making the communication (if it is a person doing so)
- Whether the communication is an independent expenditure or an electioneering communication
- The date of communication
- The method of communication
- The candidates, ballot initiatives, or ballot questions referred to in the communication,
- If the communication is supporting or opposing the named candidates, ballot initiatives, or ballot questions
- The amount spent on the communication
- How the communication was funded

# Chapter 8: Complaints

The Office of the Clerk and Recorder handles campaign finance complaints for ballot issues, ballot questions, and candidates for municipal office. This section explores the complaint process and a committee's options to respond to complaints. In addition to the process outlined in this section, the Office of the Clerk and Recorder retains the ability to initiate complaints against committees who are in violation of campaign finance law or rules.

## Citizen-Initiated Complaints

Residents of Denver who believe a violation of campaign finance law has occurred may file a complaint. Complaints must be received within 30 days of becoming discoverable. For example, if a resident of Denver sees on a candidate's campaign finance report that an illegal donation has been received, the resident must file the complaint within 30 days of the publication of the relevant campaign finance report.

Complaints may be filed [using an online form](#). Complaints must include the name of the complainant, his or her residential address, contact information, the relevant section of code that was violated, and a description of the violation.

Complaints from individuals who reside outside Denver city limits will not be accepted. Complaints alleging violations that were discoverable more than 30 days ago will not be accepted. Complaints filed late or by individuals outside of Denver will be dismissed by the Office of the Clerk and Recorder and no notice to the committee allegedly in violation given.

## Complaint Process

After a complaint is received and the Office of the Clerk and Recorder has determined that the complaint was filed by a Denver resident within 30 days of the violation becoming discoverable, the office will send notice to the committee allegedly in violation.

After notice of a complaint is given, the committee has 30 days from date of receipt of notice to respond to the complaint. The committee may respond by curing the alleged violation or by requesting the complaint be dismissed.

## **Role of Hearing Officers**

If the committee does not cure the violation or request that the complaint be dismissed, the clerk and recorder will appoint a hearing officer. The hearing officer is not an employee of the city and acts as an impartial arbiter of the complaint.

The hearing officer may dismiss the violation if he or she believes the complaint does not assert the facts necessary to support the alleged violation. The hearing officer may also issue subpoenas. Any subpoena is enforceable in county court. The hearing officer will determine if a violation has been committed and, if so, will enter a decision and order any necessary relief, if applicable. The decision of the hearing officer is final and subject to review by the district court.

# Chapter 9: Auditing

The Office of the Clerk and Recorder audits campaign finance reports to ensure compliance and proper reporting to the public. This section explores the audit process and a committee's obligations in response to the Audit.

## Fair Elections Fund Committee Auditing

Each Fair Election Fund committee will be audited on every report submitted to the agency. This will include review of submission of all contributions, in-kind contributions, and expenditures for both Fair Elections Fund bank accounts and Non-Fair Elections Fund bank accounts.

After submission of required report filings, copies of bank statements will be requested and will need to be provided within five business days. These will be uploaded within SearchLight Denver and verified by the campaign finance unit.

## Non-Fair Election Fund Committee Auditing

Reports submitted by non-Fair Election Fund committees are randomly selected for audit and committees will receive numerous audits during the election cycle. While on-Fair Election Fund committees will not be audited each report, committees can expect to receive audits on a regular basis.

## Issue Committee Auditing

Reports submitted by issue committees are randomly selected for audit and committees will receive numerous audits during the election cycle. While issue committees will not be audited each report, committees can expect to receive audits on a regular basis.

## Small Donor Committee and PAC Committee Auditing

Reports submitted by small donor committees and political action committees are randomly selected for audit and committees will receive numerous audits during the election cycle. While committees will not be audited each report, committees can expect to receive audits on a regular basis.

# Chapter 10: Best Practices for Campaigns



## Internal Controls

- Hire an attorney or have access to an attorney
- Utilize accounting or campaign finance software
- Use a compliant online payment portal
- Store receipts and campaign finance documents in a safe and secure place
- Ensure only authorized persons have access to documents
- Consider hiring a bookkeeper or a professional compliance firm (If a candidate is participating in the Fair Elections Fund, this is strongly encouraged)
- Have all campaign finance staff and volunteers attend a training by the Campaign Finance Unit and regularly consult the Campaign Finance Handbook.



# Appendix: Disclaimer Rules

Committees are responsible for disclosing who paid for all campaign communication that advocates or opposes a candidate or issue, solicits contributions, or solicits in-kind contributions.

## Disclaimer Basics

Campaign “paid for by” disclaimers are detailed in [Denver Municipal Code 15-42](#). All political advertising is covered by the code. This includes communication by television, newspaper, outdoor advertising facility, billboard, direct mailing, digital advertising, campaign signage, or any other type of public political advertising. All campaign material, including fundraising communications, that advocates or opposes a candidate or issue should include a disclosure. When in doubt, committees should err on the side of including a disclosure.

A disclosure template is below. For audiovisual communications, the disclosure should be spoken. If the communication is made in a language other than English, the disclaimer should be made in the language of the rest of the communication. Committees should refer to [Denver Municipal Code 15-42](#) for any additional questions.

Paid for by [Name Candidate or Committee].

## Disclaimers for Expenditures Paid for by Persons Other than a Committee

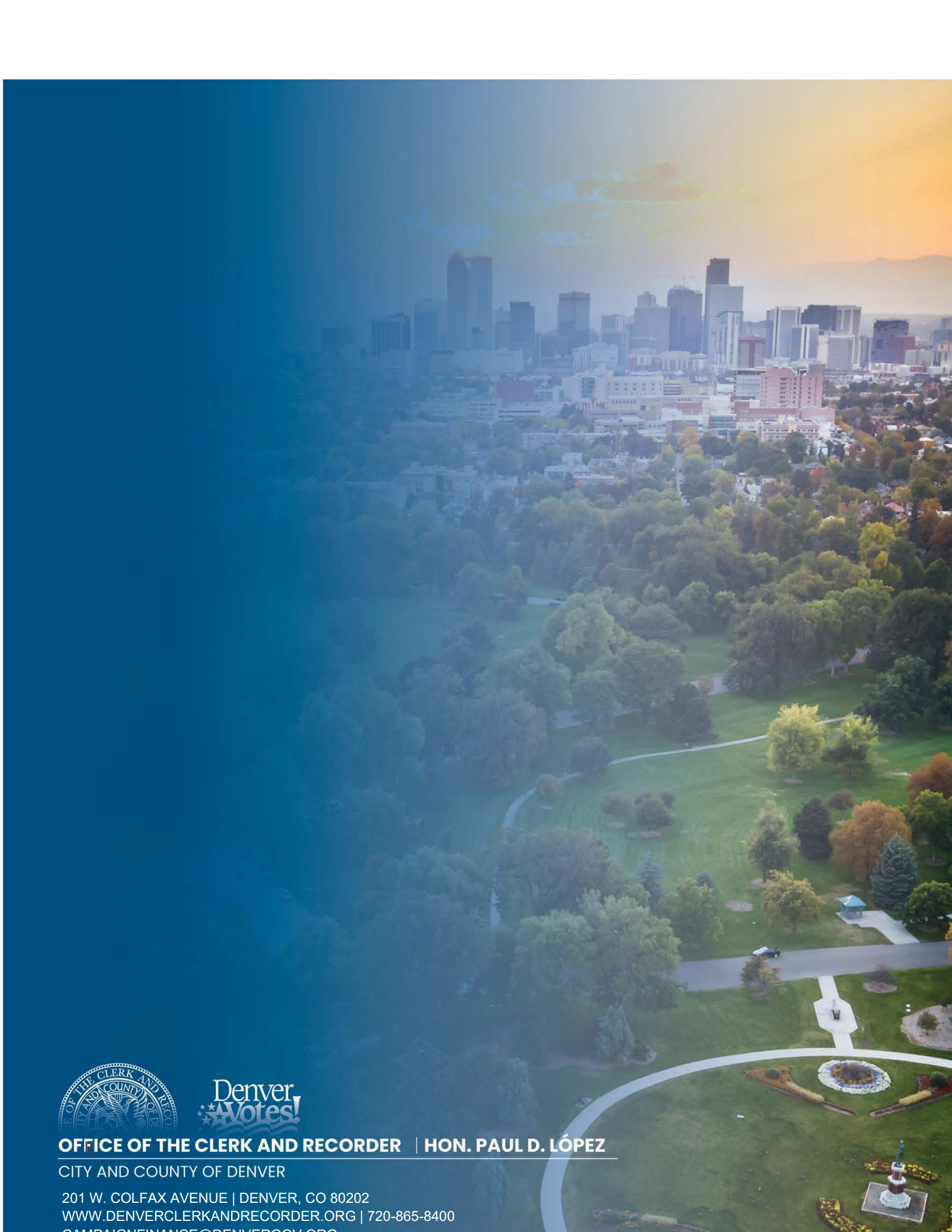
If paid for by other persons but authorized by a candidate, a candidate committee, issue committee, political committee, or their agents, shall clearly state that the communication is paid for by such other persons and authorized by the candidate, candidate committee, issue committee, or political committee; or:

Paid for by [Name of Person, Persons, or Entity Paying for the Communication]. Authorized by [Name of Candidate or Committee Authorizing Spending].

## Disclaimers for Independent Expenditure and Electioneering Communications

All independent expenditures and electioneering communications must state the name of the person or committee making the expenditure. It must also include the statement This [advertisement or material] is not authorized by the any candidate, candidate committee, issue committee, or political committee”.

Paid for by [Full Name of Person or Entity Making the Expenditure]. Not authorized by any candidate, candidate committee, issue committee, or political committee.



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201 W. COLFAX AVENUE | DENVER, CO 80202  
WWW.DENVERCLERKANDRECORDER.ORG | 720-865-8400  
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