

AGENDA
STUDY SESSION MEETING OF THE CITY COUNCIL
VIRTUAL MEETING
CITY OF LAKEWOOD, COLORADO
VIRTUAL MEETING
AUGUST 19, 2024
7:00 PM

To watch the Council meeting live, please use either one of the following links:
City of Lakewood Website: [Lakewood.org/CouncilVideos](https://lakewood.org/CouncilVideos)
Lakewood Speaks: Lakewoodspeaks.org

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In accordance with City Council Policy 5.1(A), all virtual meeting participants are advised that technological issues, whether caused by the City's equipment or the user's equipment, shall not be grounds for canceling a public meeting.

How to Connect to Provide Public Comment: Online participants may post written comments of any length to LakewoodSpeaks.org, an online forum for public comments.

ITEM 1 – CALL TO ORDER

ITEM 2 – ROLL CALL

ITEM 3 – JEFFERSON COUNTY AFFORDABLE HOUSING BLUEPRINT

ITEM 4 – CHAPTER 2.54 CODE CHANGES FROM CAMPAIGN FINANCE AD HOC COMMITTEE

ITEM 5 – COMMITTEE REPORTS

ITEM 6 – ADJOURNMENT

STAFF MEMO

DATE OF MEETING: AUGUST 19, 2024 / AGENDA ITEM NO. 3

To: Mayor and City Council
From: Travis Parker, Chief of the Sustainability & Community Development Branch
Subject: **JEFFERSON COUNTY AFFORDABLE HOUSING BLUEPRINT**

SUMMARY STATEMENT: The Colorado Gives Foundation (CGF) is presenting the Jefferson County Housing Blueprint to the Lakewood City Council to provide a summary of the Blueprint and to request support from regional stakeholders, like the Council, through the formal adoption of a supporting resolution. The Blueprint is a strategic plan developed by the Jeffco Housing Advocacy Steering Committee that originated from a 2022 Housing Needs Assessment Study commissioned by the CGF. The Blueprint aims to address the housing affordability crisis in Jefferson County, Colorado through collaborative efforts across jurisdictions to increase affordable housing options, particularly for households earning 60-120% of the Area Median Income (AMI).

BACKGROUND INFORMATION: According to the 2022 Housing Needs Assessment Study, Jefferson County is experiencing a severe housing shortage with a deficit of over 20,000 units. Median home prices in the County are 50 percent higher than the national average, placing significant financial pressure on middle-income households. Many of these residents, including essential workers such as teachers, nurses, police officers, and first responders, are cost-burdened, spending more than 30 percent of their income on housing.

The Blueprint was developed in response to recommendations from a 2022 Housing Needs Assessment Study which emphasized the need for County-wide collaboration and strategic actions to address the housing crisis. Consequently, the Jeffco Housing Advocacy Steering Committee was formed to create a comprehensive and innovative plan focusing on residents earning 60-120% AMI.

The Blueprint is structured around three main pillars:

1. Foster Input and Participation:

- Empower and Mobilize Advocates: Identify, engage, and mobilize Jefferson County residents and stakeholders to lead community conversations and participate in local policy processes.
- Engage Employers: Involve employers in the affordable housing conversation to build political support for housing development and policies.
- Enhance Public Understanding and Shift Perspectives: Increase public awareness about affordable housing, highlighting its economic and social benefits and promoting effective strategies.

2. Support Policy and Program Development:

- Support Best Practices in Policy and Process: Help local elected officials understand the development process, key stakeholders' roles, and the factors influencing affordable housing success.
- Support Policy Activation: Identify crucial moments in policy and development processes for support, and mobilize citizens and stakeholders for engagement.

3. Identify Programs and Projects for Collaboration:

- Engage in Regional, State, and Federal Policy: Unite Jefferson County in regional, state, and federal policy efforts to advocate for affordable housing.
- Facilitate Joint Housing Projects: Use networks to share knowledge and resources, creating successful partnerships to increase affordable housing.

BUDGETARY IMPACTS: There is no cost for the initial support for the Blueprint through the formal adoption of a supporting resolution.

STAFF RECOMMENDATIONS: City staff are recommending that the City Council support the Blueprint through the following phases:

Initial Support for the Blueprint: The City Council should support Blueprint through the formal adoption of the supporting resolution as a first, vital step toward addressing the housing crisis in the County.

Implementation and Collaborate with Stakeholders: Engage with local governments, housing agencies, community organizations, and developers to facilitate the implementation of the Blueprint's strategies.

Allocation of Resources: Identify and allocate necessary resources to support the Blueprint's initiatives, particularly those that offer the greatest and immediate opportunity for impact.

ALTERNATIVES: The Council could decide not to support the Blueprint.

PUBLIC OUTREACH: This Blueprint already represents years of work and public meetings coordinated between stakeholders, agencies and community leaders. The presentation from CGF to the Lakewood City Council has been promoted through the regular communication channels to be considered by the Council.

NEXT STEPS: If the Lakewood City Council wants to support the Blueprint, they can consider the formal adoption of a supporting resolution at an upcoming City Council meeting.

ATTACHMENTS:

1. Jefferson County Housing Blueprint
2. Draft Resolution Supporting the Jeffco Affordable Housing Blueprint

REVIEWED BY: Kathleen E. Hodgson, City Manager
Benjamin B. Goldstein, Deputy City Manager
Alison McKenney Brown, City Attorney



Working together
for affordability





EXECUTIVE SUMMARY



Overview

Jefferson County (Jeffco) faces a serious housing affordability crisis. According to 2019 data referenced in Jefferson County's 2020-2024 Consolidated Plan and 2020 Action Plan, Jeffco is short more than 20,000 housing units. In addition, median home prices in Jeffco are 50% higher than the national average. This high cost of housing paired with the county's shortage puts a lot of pressure on middle-income households, especially those earning 60-120% of the Area Median Income (AMI). Many of these residents, including teachers, nurses, police officers and first responders, are considered cost-burdened, meaning they spend more than 30% of their income on housing costs, which makes it difficult for them to afford other necessities.

In Jeffco as of 2024, 60-120% AMI is \$54,780-109,560 for a one-person household or \$78,240-156,480 for a

four-person household. This income places residents in a squeeze – their income is too high for traditional subsidies but too low for market-rate housing. With a significant gap in housing that is affordable for these residents, addressing their needs specifically will bridge the affordability gap, enabling inclusive and healthy local economies and a thriving county poised for growth.

Jeffco 2024 » 60-120%AMI

One-Person Household



\$55,000-\$110,000

Four-Person Household



\$78,000-\$156,000

A 2022 Housing Needs Assessment Study (Study), commissioned by Colorado Gives Foundation (CGF), recommended convening key stakeholders across the county to explore strategic actions, develop partnerships, support county-wide housing efforts, and pursue additional state and federal resources. In response, CGF launched the Jeffco Housing Advocacy Steering Committee (Committee) in 2022 to create an innovative approach to housing throughout the county, focusing specifically on housing for residents earning 60-120% AMI.

To address the housing shortage, CGF seeded an impact investment fund called the Bring It Home Fund with \$15M to provide financing for the preservation and development of housing affordable for individuals and families with incomes between 60-120% AMI in Jefferson County.



Phases

Phase 1 » Jeffco Housing Advocacy Steering Committee
In October 2022, CGF convened the Committee, composed of elected officials and community leaders across the county to develop and implement strategies that increase the availability of safe and affordable housing for all residents, particularly for households earning 60-120% AMI.

Phase 2 » Policy Recommendations

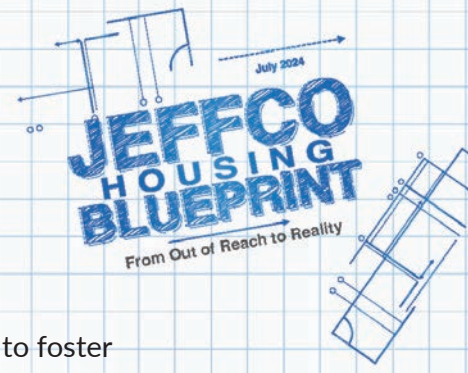
In partnership with Root Policy, the Committee looked at ways to improve affordable housing, including using policy rules and regulatory tools to help people who make 60-120% AMI get more affordable housing options. From their assessment, the Committee recommended offering rewards to create more income-qualified affordable housing, incorporating zoning changes that allow more types—and prices—of homes in each locality, and using local and state resources for increased housing production.

Phase 3 » Jeffco Affordable Housing Blueprint

To support these recommendations, the Committee drafted the Jeffco Affordable Housing Blueprint (Blueprint) to serve as a regional plan for increasing affordable middle-income housing in Jeffco. Anchored by three pillars – community input and engagement; best practices in policy and program development; and advancing inter-jurisdictional collaboration – the Blueprint reflects shared values of partnership, flexibility, and respect for local priorities, guiding efforts towards a resilient, enduring solution to Jeffco's housing crisis.

Phase 4 » Blueprint Implementation

The Blueprint will serve as a dynamic tool to address the county's housing challenges in responsive, innovative, and effective ways. As it evolves, the Committee commits to tracking progress, sharing lessons learned, and adjusting strategies to ensure the Blueprint's goals are met.



POLICY PLATFORM

Driven by CGF's commitment to Jeffco, the Committee developed a policy platform to foster affordable housing for individuals earning 60-120% AMI, forming the foundation for initiatives that benefit middle-income households and promote sustainable community development.



Community Development

The Committee supports policies that uphold the legal authority of home rule, preserve local control, and reduce barriers to housing opportunity, including:

- » **Maintaining the authority of local governments** to require affordable housing in new developments and provide incentives to create more affordable, middle-income (60%-120% AMI) housing.
- » **Developing comprehensive plans** that reflect local government and community input.
- » **Reforming construction defect laws** that constrict the development of affordable multi-family homeownership opportunities that often meet the income needs of middle-income individuals and families.
- » **Protecting and/or expanding existing programs** that promote affordable housing through preservation, redevelopment, and infill development.



Collaboration and Partnership

The Committee was formed on the premise that housing affordability is a regional challenge that requires a regional solution, such as:

- » **Facilitating collaboration and partnerships among governments, nonprofits, and private agencies** that are flexible and incentivize innovative solutions.
- » **Acknowledging, supporting, and/or funding regional planning, programming, and implementation**, such as the Jefferson County Housing Continuum Task Force and the Denver Regional Council of Governments (DRCOG).



Housing Resources

The Committee advocates for efforts that will bring additional resources to promote a diverse range of housing options for individuals earning 60-120% AMI, including:

- » **Increasing resources at the federal and state levels** that are flexible and applicable to housing development that meets the needs of those earning 60-120% AMI, including rental housing development and homeownership opportunities.
- » **Taking advantage of existing programs and their funding** to deploy resources in an efficient and effective manner.

Community Development

Support preservation of local control and reduce barriers to housing.

Collaboration & Partnership

Engage government, nonprofit & private agencies within the Jeffco region.

Housing Resources

Increase range of housing options focused on individuals earning 60-120% AMI



CORE VALUES AND GUIDING PRINCIPLES

Core values and principles that guided the Committee's work include promoting fairness and accessibility, ensuring respect for all participants, balancing local control with regional collaboration, respecting each jurisdiction's unique context, and fostering partnerships across the county.

Local Control & Regional Collaboration

We believe local control and regional collaboration are not mutually exclusive. The best policy solutions will balance the need for local control while advancing strategies for regional partnership across Jeffco. Achieving this balance requires respect, collaboration, and innovation.

01

Respect



We respect that each jurisdiction or entity is unique, and that jurisdictions have local control and legal authority to adopt and implement the policies that best meet the needs of their communities while they work to establish regional solutions.

02

Collaboration



We believe that **a regional approach to housing affordability will be successful only if stakeholders work together** in partnership and are responsive to the changing needs of Jeffco.

03

Innovation



We embrace creative thinking that is flexible, can adapt to changing conditions, and acknowledges stakeholder needs while fostering a shared vision, identifying common ground, and advancing new solutions.

Inclusion & Forward Momentum

We believe that achieving our vision for Jeffco requires rigorous engagement and a commitment to inclusion. Understanding community priorities while balancing stakeholder needs is crucial. We will make meaningful progress through education, leadership, and by fostering an inclusive environment that reflects our commitment to both local control and regional collaboration.



01
Inclusion

We take responsibility to express and consider differing perspectives and ideas through proactive, transparent, and honest communication and open-mindedness. Our collaborative efforts are informed and guided by a balanced representation of local voices, ensuring an equitable input process.



02
Education

We believe the best policy and strategies are shaped by **informed decision-making**. Advancing knowledge of best practices and educating policymakers, practitioners, and the community is essential for our long-term success.



03
Leadership

As stewards of a collaborative process with complex dynamics, **local leaders are empowered to represent their local interests** while aligning with the broader regional goals. We navigate divergent interests by seeking common ground to create a productive environment where both local and regional needs are met.



BLUEPRINT ELEMENTS

Purpose

Embracing a bold vision, the Blueprint is an innovative response to one of our era's most pressing challenges. **This transformative guide disrupts the norms of traditional housing strategies and rewrites the approach to developing affordable housing that meets the needs of each community within Jeffco.** The Blueprint takes a holistic approach to housing with a deliberate focus on supporting residents earning 60-120% of AMI, a crucial segment of residents typically ignored by housing policies.

The Blueprint's **recommendations serve to simplify and accelerate affordable housing development** while also creating pathways for new, innovative opportunities in Jeffco. Acknowledging the complexities of housing policy, this effort requires sustained commitment and accountability of all stakeholders, including local governments, housing agencies, community organizations, and developers. Changing housing policy is a gradual process, and this Blueprint serves as a foundational framework for a responsive, resilient, and long-lasting solution to Jeffco's housing challenges.

Framework

The Blueprint provides context on housing in Jeffco, sharing the Committee's findings on housing affordability issues and the reasons behind the goals and strategies. It is based on three main pillars, each with important elements, goals, strategies, and success measures identified by the Committee.

The Blueprint is a flexible guide that starts the work and allows for changes as new strategies and resources come up. Progress towards the goals will be tracked regularly, sharing lessons learned and adjusting strategies as needed.

THREE PILLARS

Increasing housing affordability begins with deepening our community's understanding of what affordable housing is, why it is important, and how to support initiatives that increase its availability, including helping local governments create policies and programs that increase the supply of affordable housing in Jeffco. Together, local governments must work regionally to identify effective initiatives with the help of the three pillars:





PILLAR ONE

Foster **input and participation** in strategies that support affordable housing.

Why This Matters

Community input is crucial for balanced policy development and good decision making on housing projects. Currently, there is limited input from individuals and families who are being 'priced out' of housing options. Encouraging and listening to diverse voices from across the county will ensure broader perspectives are incorporated into an inclusive decision-making process for housing policy discussions.

Essential Elements

- » **Develop Advocates**
Support advocacy from citizens and community leaders to diversify community discussions and shape policy outcomes.
- » **Public Education**
Engage with local groups to help them build a greater understanding of the housing problem and possible solutions through targeted education initiatives.
- » **Local Business Engagement**
Strengthen engagement and partnerships with local Jeffco businesses to garner support for affordable housing initiatives.





PILLAR TWO

Support **policy and program development** in Jeffco jurisdictions by sharing best practices, tracking progress, and activating resources.

Why This Matters

Without robust policies and programs tailored to the unique needs of Jeffco, efforts to address housing affordability may fall short. This pillar focuses on supporting policy and program development within local jurisdictions to drive meaningful changes for affordable housing availability.

Essential Elements

- » **Policy Support and Education**
Provide decision makers with the knowledge and tools necessary to formulate effective policies that support affordable housing initiatives.
- » **Stakeholder Engagement and Activation**
Ensure diverse voices are considered in the development and implementation of affordable housing policies and programs, fostering a more inclusive and responsive decision-making environment.
- » **Policy Implementation and Monitoring**
Create mechanisms to ensure accountability and transparency in the policymaking process, ensuring that policies are effectively implemented to achieve desired outcomes.



#1 Goal

SUPPORT BEST PRACTICES IN POLICY & PROCESS

Support local elected officials' understanding of the development process, including the roles of key stakeholders and the interests that influence the success of affordable housing development in their communities.



#2 Goal

SUPPORT POLICY & ACTIVATION

Identify pivotal moments in policy and development process for support, and activate citizens and other stakeholders for engagement.





PILLAR THREE

Identify specific **programs and projects** for collaboration across jurisdictions and agencies to increase housing that is affordable in the county.

Why This Matters

Collaborative efforts across jurisdictions are essential to addressing Jeffco's affordable housing crisis comprehensively. By identifying specific programs and projects for inter-jurisdiction and agency collaboration, Pillar Three encourages the collective harnessing of resources towards increasing affordable housing options countywide.

Essential Elements

- » **Stakeholder Collaboration**
Work closely across jurisdictions and groups to achieve common goals.
- » **Best Practice Sharing**
Share what works to help others learn and improve.
- » **Resource Activation**
Activate available resources to support affordable housing efforts effectively.



#1 Goal

ENGAGE IN REGIONAL, STATE AND FEDERAL POLICY

Identify policy efforts at the regional, state, and federal level where Jeffco can engage as a united front.



#2 Goal

DEVELOP STRATEGIC TRANSPORTATION/HOUSING PARTNERSHIPS

Optimize corridors and community hubs to maximize land use, housing, and transportation resources expanding affordable housing options across Jeffco.

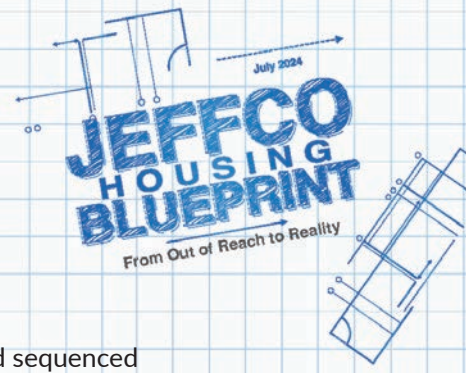


#3 Goal

FACILITATE JOINT HOUSING PROJECTS

Use networks to share knowledge and resources, creating successful partnerships and increasing affordable housing.





ACHIEVING OUR GOALS AND OUTCOMES



This Blueprint represents the work of stakeholders, agencies and community leaders, and as the initiative transitions to the implementation phase, the Committee is committed to continued leadership and oversight of the process.

The Blueprint was designed with a **three-year time horizon**, and the corresponding subgoals and strategies represent work that can be achieved in that timeframe. In addition, each set of detailed strategies have been sequenced by the following criteria and priorities:

- » Strategies that represent the greatest immediate opportunity to meaningfully achieve the subgoal outcomes will be addressed first, AND
- » Strategies that build upon completed work have also been ordered sequentially to ensure successful outcomes.

In addition to prioritized and sequenced strategies, each subgoal has detailed outcomes which define the success of the strategy and fulfillment of the subgoal. As the work transitions to the implementation phase, each strategy will be measured through the following process:

- » Identify appropriate measures for each strategy as defined by the outcomes;
- » Execute strategy and track results;
- » Review outcomes and assess if strategy produced desired outcomes; review approach and modify strategies as needed to support outcomes and achieve subgoal.

APPENDIX (COMING SOON)

- » Blueprint Endorsements
- » 2024 JeffCo Housing Advocacy Steering Committee Roster
- » 2022 Affordable Housing Study from Syntrinsic Social Capital
- » Workforce Housing Policy Recommendations Report from Root Policy Research



SAMPLE RESOLUTION OF SUPPORT

JeffCo Affordable Housing Blueprint

A resolution to support the JeffCo Affordable Housing Blueprint, a collaborative plan to increase housing options that are affordable in Jefferson County and facilitates partnerships across jurisdictions and agencies within Jefferson County.

WHEREAS, Jefferson County is experiencing a significant shortfall of more than 20,000 units, and median home prices in Jefferson County are 50% higher than the national average; and

WHEREAS, this high cost of housing puts significant pressure on middle-income households, especially those earning 60-120% of the Area Median Income (AMI); and

WHEREAS, [CITY/COUNTY] understands that a lack of options for housing that is affordable is a challenge in every community in the county; and

WHEREAS [CITY/COUNTY] agrees that addressing these housing needs will be more successful and effective through partnership and collaboration; and

WHEREAS the JeffCo Affordable Housing Blueprint was developed in the spirit of partnership and collaboration, and is a thoughtful and effective strategy to increase housing that is affordable in Jefferson County.

NOW THEREFORE BE IT RESOLVED, that the [CITY/COUNTY] supports the JeffCo Affordable Housing Blueprint, and will work collaboratively with stakeholders throughout the county to advance the strategies set forth in the Blueprint plan.

STAFF MEMO

DATE OF MEETING: AUGUST 19, 2024 / AGENDA ITEM NO. 4

To: Mayor and City Council
From: Alison McKenney Brown, City Attorney
Subject: **CHAPTER 2.54 CODE CHANGES FROM CAMPAIGN FINANCE AD HOC COMMITTEE**

SUMMARY STATEMENT: The City Council Ad Hoc Committee for Review of the City's local Campaign Finance Code has completed its review of Chapter 2.54 of the Lakewood Municipal Code setting forth the Campaign Regulations and Political Finance in Municipal Elections Code, and is presenting their proposed modifications to the City Council for review and determination of next steps. Next steps include possibly setting the draft document for further review by the City Council at a future workshop or study session or direction to staff to place the draft as written/amended on a future agenda for City Council action.

BACKGROUND INFORMATION: The City Council took action on April 22, 2024 to review Chapter 2.54 of the Lakewood Municipal Code setting forth the Campaign Regulations and Political Finance in Municipal Elections Code. They began by establishing the City Council Ad Hoc Committee on Campaign Finance comprised of: Mayor Wendi Strom, Council Member Jacob LaBure and Council Member Glenda Sinks.

The Ad Hoc Committee met June 13 and July 29, 2024 to review the provisions of all provisions of Campaign Regulations and Political Finance in Municipal Elections Code, with a special emphasis on the process for reviewing recommendations for amendment of the process by which complaints are filed.

A couple of notes regarding reading the three documents presented for review:

- The first document is a "clean" version of the proposed revisions. For many, it is easier to read a clean version than a redline.
- The second document is a redline version showing all proposed revisions from the original language.
- The third document is an overview and explanation of all of the proposed revisions.
- All typos are the scrivener's error (that would be me). They will be corrected by the City Clerk's staff prior to final publication.

BUDGETARY IMPACTS: None

STAFF RECOMMENDATIONS: City Staff has no recommendations on these proposed revisions.

ALTERNATIVES: The City Council is reviewing these proposed revisions for determination of next steps.

PUBLIC OUTREACH: This item has been promoted through the regular communication channels to be considered by the Lakewood City Council.

NEXT STEPS: The City Council could direct that the draft revisions to L.M.C. Chapter 2.54 be placed on a future regular meeting agenda as presented.
The City Council could direct that the draft revisions to L.M.C. Chapter 2.54 be placed on a future regular meeting agenda as amended/revised.

The City Council could direct the draft revisions to L.M.C. Chapter 2.54 be placed on a future workshop or study session agenda for further review.

ATTACHMENTS:

1. Overview of Proposed Revisions
2. Draft 2.54 Revisions for Consideration_Redline
3. Draft 2.54 Revisions for Consideration_Clean Version

REVIEWED BY: Kathleen E. Hodgson, City Manager
Benjamin B. Goldstein, Deputy City Manager
Alison McKenney Brown, City Attorney

OVERVIEW OF SUGGESTED UPDATES TO THE CAMPAIGN AND POLITICAL FINANCE IN MUNICIPAL ELECTIONS CODE.

1. **Title:** Add the word “Regulations” to clarify that this code expands beyond the financial elements of municipal elections.

2. **2.54.010.**

- a. Change all references to “Chapter” or “Ordinance” to “Code”.
- b. Remove the phrase “as to” to attempt to clarify an awkward sentence. It is noted that this sentence is still very awkward.

3. **2.54.020.**

- a. Change all references to “Chapter” or “Ordinance” to “Code”.
- b. Appropriate officer. Delete this definition as the two references to “Appropriate Officer” were removed and replaced with “City Clerk.”
- c. Candidate. The language of this definition is not great but it mostly follows that provided by the State Constitution. The revisions proposed to this definition seek to add the word “thereafter” to exactly match the Constitutional language. A second change is to the word “the.” The Constitution uses the word “the” which someone has suggested be changed to “their” for clarity.

Question for the City Council. Should this definition be modified without violating the Constitution so as to differentiate between the first sentence of the definition and the balance of the definition?

- The first sentence refers to an individual who has decided to be a candidate by making some form of announcement of that intent. This allows individuals to knock on doors or utilize social media for months without filling out candidacy paperwork as long as they don’t accept or expend funds. i.e. “a candidate”
 - The balance of the definition focuses on fiscal implications of either accepting or expending money in support of such campaign, triggers for filling out a candidacy affidavit. i.e. “a candidate for election”
- d. Code. Add a definition for the word “Code.”
 - e. Conduit. Remove the definition for conduit as it isn’t used within the Code.
 - f. Contribution. Include the phrase “by any person or committee” to make it clear that contributions from a candidate to themselves must be tracked as a contribution. Additional small grammatical change.
 - g. Election cycle. The definition must match that provided by the State Constitution.
 - h. Electioneering communication. Added the phrase “a website or other electronic communication” and the phrase “any signage placed in public view”. Expanded the timeframe during which an electioneering communication must be identified from 60

days to the time during which a candidate is seeking election. Removed a subsection that restates the initial definitional language.

- i. Exploratory Committee. The committee supports a policy decision to regulate exploratory committees. These draft regulations remove all references to exploratory committee.
- j. Frivolous. There is only one reference to this term within the Code as revised. That reference is in association to an action that may be taken by a hearing officer. All references to this term in association with the City Clerk have been removed.
- k. Groundless. This term was removed as it no longer appears within the revised Code.
- l. Independent expenditure. This term was reviewed. It matches the language within the Colorado Constitution.
- m. Independent expenditure committee. There is no definition for this term within the Colorado Constitution, but this term was reviewed as it doesn't match the language of the State statutes. There is a definition within the Statute but as a home rule city the City doesn't have to follow the State law.
- n. Independent Hearing Officer. This definition was added to the Code. It does not require that the hearing officer be an attorney, but it does require the hearing officer to have a knowledge of the subject matter.
- o. Issue Committee. This definition was amended to remove a definition for "major purposes." This definition was further amended to change the "or" to an "and" so that both subsections would need to be met before triggering this definition.
- p. Limited Liability Company. Grammatical changes.
- q. Person. This definition was amended to conform to the definition set forth within the Colorado Constitution.
- r. Political Organization. Grammatical changes.

4. 2.54.030

- a. Change all references to "Chapter" or "Ordinance" to "Code".
- b. A(1). Rename the Affidavit to Affidavit of Candidacy. Require the affidavit to be signed before money is accepted. Accepting money for the campaign is one of the elements of becoming a candidate. Remind readers to reference the requirements to become a candidate under this code.
- c. A(2)(a). Change organization to committee.
- d. A(2)(c) Remove All affiliated candidates. NOTE: The numbering for these subsections is off but can't be corrected until the redlining is removed.
- e. A(6)(a). Mandating that a candidate may only have one candidate committee at a time.
- f. A(6)(f)(V). Removing pager expenses.
- g. A(6.5). Removing any reference to exploratory committees.
- h. A(7). Extending the number of dates upon which reports associated with recalls must be filed.

- i. A(8)(a). Adding yard signs to the list of forms of communications. Removing any language mandating that an expenditure must be made in order for a communication to require a disclaimer.
- j. A(9). Removing any reference to exploratory committees.
- k. B(1). Replaced the language referencing the subsections with the actual language of the subsections.
- l. B(2)(a)(I). Changing the date a title for an initiative is set from a date prior to soliciting signatures to a date after the requisite number of signatures have been obtained.
- m. B(3). Removing “appropriate officer” and replacing it with “City Clerk”. Changing the time frame for filing campaign finance paperwork to extend it out to 60 days prior to a recall election.
- n. B(4)(a). Modifying amount of expenditure that will trigger when an issue committee must provide a disclosure upon a communication. Addition of yard signs to the list of forms of communications.
- o. D(1)(a). The current program is not capable of reporting cumulative totals of contributions. The campaign finance program anticipated to be in place on January 1, 2025 is anticipated to be able to report cumulative amounts.
- p. D(2)(b). Increasing the maximum contribution that may be made in currency or coin.
- q. D(2)(d). Adding language regarding website contributions to make it clear that a website request for contributions is not the same as a pass the hat solicitation as website solicitations may be linked to a contributor.
- r. E(2). Increasing the maximum contribution that may be made in currency or coin.
- s. F(3)(a). Including the term “posted” to the forms of communications.
- t. F(3)(c). Correcting the spelling of “non-broadcast.”
- u. G(1)(a). Removing any reference to exploratory committee, with focus on “candidate committee” contributions.
- v. G(1)(c). Removing any reference to exploratory committee, with focus on “political committee” contributions.
- w. G(2)(b). Removing any reference to exploratory committee.
- x. G(2)(c). Removing any reference to exploratory committee.
- y. H(2). Replacing the mandatory limit upon contributions that a political committee may accept from \$250 to the amount set by the Constitution. The goal of standardizing is to make it easier for contributors to comply with the Code.

5. 2.54.040

- a. Change all references to “Chapter” or “Ordinance” to “Code”.
- b. Renumbered entire section to conform to the numbering style used in every other section. The numbering starts with a capital A.
- c. A(1)(a). Change reporting dates in a regular municipal election year to dates certain.
- d. (A)(1)(e)(II). Added “during the reporting period.”
- e. (A)(1)(e)(IV). Added “loan forgiveness.”
- f. A(1)(g). Mandated that all reports are filed to the City Clerk but removed language about City Clerk promulgating rules for carrying out this code.

- g. A(1)(i). Updated timeline for reporting to extend to the 90th day prior to the election.
- h. A(3). Revised to include the other types of committees that may be involved in a recall election, and clarified by adding in “a position” following “supporting or opposing”.
- i. A(5)(a). Removed the directive for the City Clerk to use the Tracer system utilized by the State. This is not possible. Updated to show that the City Clerk will make all filings public on the third business day after receiving the filing.

6. 2.54.050

- a. Change all references to “Chapter” or “Ordinance” to “Code”.
- b. A(1). Added language directing the City Clerk to “provide training sufficient to acquaint candidates and the public with all provisions of this Code.”
- c. A(4). Added language directing the City Clerk to “make all reports, complaints, and statements required by this section publicly available on the City Clerk’s website no later than the close of business on the day after the filing was received.”
- d. A(6). Revised notification timeline from 24 hours to three business days.
- e. B(1). Revised timeline to recognize that the Clerk does not work 24 hour days but instead works business days. Removed all references to the phrase “frivolous or groundless” as those terms require the City Clerk to make a subjective determination. Instead, the standards were changed to objective measures.
- f. B(2). Revised timeline to recognize that the Clerk does not work 24 hour days but instead works business days. Additionally, reworded section to remove all references to the phrase “frivolous or groundless” as those terms require the City Clerk to make a subjective determination.
- g. B(2)(a). Revised timeline to recognize that the Clerk does not work 24 hour days but instead works business days. Additionally, reworded section to remove all references to the phrase “frivolous or groundless” as those terms require the City Clerk to make a subjective determination.
- h. B(2)(b). Revised timeline to recognize that the Clerk does not have control over the schedules of the hearing officer, witnesses, and parties to the violation. Reduced the time for which any party shall be granted an extension to prepare for the hearing. Included new language regarding the attorney who will represent the City in the hearing. Additionally, reworded section to remove all references to the phrase “frivolous or groundless” as those terms require the City Clerk to make a subjective determination.
- i. B(2)(c). Revised this section to recognize that the Clerk does not have control over the schedules of the hearing officer, witnesses, and parties to the violation. Also, modified the penalty imposed upon a hearing officer for taking longer than thirty (30) days to provide a decision. The expense of firing a hearing officer and starting over from the beginning is too great. Also, the City Attorney cannot be placed in a position adverse to the hearing officer. Their relationship must be neutral.
- j. B(2)(d). Added this section to provide parameters and guidance in imposing a fine amount. “The hearing officer shall impose a fine in accordance with this Code. Where the hearing officer is given discretion to determine the appropriate fine amount such determination shall be made based upon the facts, evidence and any

documents upon which the hearing officer relied in making the determination of the matter. Additionally, the hearing officer shall invite both parties to submit written arguments in support of the imposition of a specific fine amount.”

- k. B(2)(b) (as previously numbered before numbering revision). This paragraph has been totally eliminated. The City Clerk is not the enforcement officer. The City Clerk merely carries out the requirements of the code in a neutral manner.
- l. B(3). Removed any restrictions upon the subpoenas issued by the City Clerk or Hearing Officer.
- m. B(4). Addition of language that provides that failure to know the code is not a defense to violation of the code.
- n. C(1). Reduces the penalty to a standard, objective amount.
- o. C(2)(a). The penalties are not imposed by the City Clerk but rather through the Code. Revisions to penalties imposed by the Code to include violations occurring between the sixth and tenth days.
- p. C(2)(b). Clarifying that the penalties start upon failure to meet the due date for filing. Removing the City Clerk from being an element in whether a fine will be imposed.
- q. C(2)(c). Removing language allowing a candidate or committee to cure a violation to avoid a fine being imposed.
- r. C(2)(d). Removed language requiring the City Clerk to refer overdue filings to a hearing officer after 15 days.
- s. C(2.1)(a). Discussion about discretionary v. mandatory sentencing. Decided to allow the hearing officer discretion (up to) to impose the appropriate fine after hearing arguments from both parties on that topic in conformance with (B)(2)(d) of this Section.
- t. C(2.1)(b). Reworded to remove the City Clerk from being made responsible for whether or not a candidate committee is fined and placed the burden back on the Code.
- u. C(2.2)(a). Removing any reference to exploratory committee.
- v. C(2.2)(b). Removing any reference to exploratory committee.
- w. C(2.2) reserved for future revisions.
- x. C(2.3). Deleted in its entirety to remove responsibility upon the City Clerk to hire professionals to verify reports the City Clerk thinks are suspicious.
- y. C(2.3). Used the numbering to add language creating a standard penalty.
- z. C(4). Removed reference to the City Clerk promulgating rules and regulations for the Code and instead referenced “standardized procedures.” Removed reference to “frivolous, groundless or vexatious” in lieu of “frivolous” which is a legal term that a hearing officer can understand from a legal dictionary.
- aa. C(7). Reworded so that the City Clerk is not responsible for determining if information is inaccurate. It is either complete or incomplete.
- bb. C(8) Removed the former (8) in its entirety to remove the City Clerk from adopting rules and regulations and imposing them upon candidates.
- cc. C(9). Renumbered to C(8). Removed the amount of an unpaid debt so that any unpaid debt must be collected. Removed unnecessary language regarding the

different forms of costs the City is entitled to recover and left it as the more general “its costs.”

7. 2.54.060

- a. Change all references to “Chapter” or “Ordinance” to “Code”.
- b. Renumbered to match the rest of the Code.
- c. A(1). Add in citations to Colorado Statutes Annotated to clarify which document is being referenced.
- d. Note that the original is missing a paragraph (b)(II). The revision rennumbers to add this number back into the document.
- e. A(2)(b)(III). Moved the “or” from following the first subsection to following the second subsection to be grammatically correct.

8. 2.54.070

- a. Change all references to “Chapter” or “Ordinance” to “Code”.
- b. Correcting the spelling of “non-broadcast.”

9. 2.54.080

- a. Change all references to “Chapter” or “Ordinance” to “Code”.

Draft 7/29/24

AD HOC COMMITTEE

Chapter 2.54 CAMPAIGN REGULATIONS AND POLITICAL FINANCE IN MUNICIPAL ELECTIONS

2.54.010 Declaration.

As a home rule City established under Article XX of the Colorado Constitution, the City of Lakewood and the Lakewood City Council find and declare that preserving openness and integrity in the political process is in the best interests of the health, safety and welfare of the citizens of Lakewood. It is therefore the intent of this ~~chapter~~ Code to foster an open political process that emphasizes transparency and accountability to ensure, ~~as to~~ candidates for municipal office, that campaign donations do not result in corruption or the appearance of corruption. Further, in order to make informed decisions about the election-related materials they see, voters of the City of Lakewood need complete and timely reporting to the City Clerk by all persons and/or groups subject to disclosure responsibilities, as well as accurate disclaimers that inform voters who paid for the communications distributed.

(Ord. O-2023-7 § 1, 2023; Ord. O-2018-22 § 2, 2018; Ord. O-2013-22 § 1, 2013.

2.54.020 Definitions.

As used in this chapter, unless the context otherwise requires:

~~Appropriate officer means the City Clerk of the City of Lakewood. The City Clerk is the individual with whom a candidate, candidate committee, political committee, small donor committee, or issue committee must file all campaign related documents pursuant to this chapter.~~

Ballot issue means a local government matter arising under Section 20 of Article X of the State Constitution, as defined in Sections 1-41-102(4) and 1-41-103(4) of the Colorado Revised Statutes.

Ballot question means a local government matter involving a citizen petition or referred measure, other than a ballot issue.

Candidate means any person who seeks nomination or election to any local public office that is to be voted on at any municipal election. A person is a candidate for election if the person has publicly announced an intention to seek election to public office ~~and~~ thereafter has received a contribution or made an expenditure in support of ~~the~~ their candidacy. A person remains a

candidate for purposes of this ~~chapterCode~~ so long as the candidate maintains a registered candidate committee. A person who maintains a candidate committee after an election cycle, but who has not publicly announced an intention to seek election to public office in the next or any subsequent election cycle, is a candidate for purposes of this ~~chapterCode~~.

Candidate committee means a person and/or group, including the candidate, or persons with the common purpose of receiving contributions or making expenditures under the authority of a candidate. A contribution to a candidate shall be deemed a contribution to the candidate's candidate committee. A candidate shall have only one candidate committee. A candidate committee shall be considered open and active until affirmatively closed by the candidate or by action of the City Clerk.

Code means Chapter 2.54 of the Lakewood Municipal Code regarding Campaign Regulations and Political Finance in Municipal Elections.

~~*Conduit* means a person and/or group who transmits contributions from more than one person, directly to a candidate committee. "Conduit" does not include the contributor's immediate family members, the candidate or campaign treasurer of the candidate committee receiving the contribution, a volunteer fund raiser hosting an event for a candidate committee, or a professional fund raiser if the fund raiser is compensated at the usual and customary rate.~~

Contribution means:

- (I) the payment, loan, pledge, gift, or advance of money, or guarantee of a loan, made by any person or committee to any candidate committee, issue committee, political committee or small donor committee;
- (II) any payment made to a third party for the benefit of any candidate committee, issue committee, political committee or small donor committee;
- (III) the fair market value of any gift or loan of property made to any candidate committee, issue committee, political committee or small donor committee;
- (IV) anything of value given, directly or indirectly, to a candidate for the purpose of promoting the candidate's nomination, election, retention, or recall or election.

The term "Contribution" includes, with regard to a contribution for which the contributor receives compensation or consideration of less than equivalent value to such contribution, including, but not limited to, items of perishable or nonpermanent value, goods, supplies, services, or participation in a campaign-related event, an amount equal to the value in excess of such compensation or consideration as determined by the candidate committee.

~~"Contribution"~~ also includes:

- (I) Any payment, loan, pledge, gift, advance of money, or guarantee of a loan made to any political organization;
- (II) Any payment made to a third party on behalf of and with the knowledge of the political organization; or

(III) The fair market value of any gift or loan of property made to any political organization.

"Contribution" does not include services provided without compensation by individuals volunteering their time on behalf of a candidate, candidate committee, political committee or small donor committee; a transfer by a membership organization of a portion of a member's dues to a small donor committee or political committee sponsored by such membership organization; or payments by a corporation or labor organization for the costs of establishing, administering and soliciting funds from its own employees or members for a political committee or small donor committee.

Coordination means one or more substantial discussions relating to the making of one or more expenditures at the request, suggestion, or direction of, or under the control of or in consultation with a candidate committee or its agent (including a consultant) acting on behalf of or with the consent of a candidate, where such expenditure relies on non-public information.

Corporation means a domestic corporation incorporated under and subject to the "Colorado Business Corporation Act", Articles 101 to 117 of Title 7, C.R.S., a domestic nonprofit corporation incorporated under and subject to the "Colorado Revised Nonprofit Corporation Act", Articles 121 to 137 of Title 7, C.R.S., or any corporation incorporated under and subject to the laws of another state. For purposes of this [articleCode](#), "domestic corporation" shall mean a for-profit or nonprofit corporation incorporated under and subject to the laws of the State of Colorado, and "nondomestic corporation" shall mean a corporation incorporated under and subject to the laws of another state or foreign country. For purposes of this [-article Code](#), "corporation" includes the parent of a subsidiary corporation or any subsidiaries of the parent, as applicable.

Donation means:

- (I) The payment, loan, pledge, gift, or advance of money, or the guarantee of a loan, made to any person and/or group for the purpose of making an independent expenditure;
- (II) Any payment made to a third party that relates to, and is made for the benefit of, any person and/or group that makes an independent expenditure;
- (III) The fair market value of any gift or loan of property that is given to any person and/or group for the purpose of making an independent expenditure; or
- (IV) Anything of value given, directly or indirectly, to any person and/or group for the purpose of making an independent expenditure.

"Donation" shall not include a transfer by a membership organization of a portion of a member's dues for an independent expenditure sponsored by such membership organization.

Earmark means a designation, instruction, or encumbrance that directs the transmission by the recipient of all or part of a donation to a third party for the purpose of making one or more independent expenditures of \$500.00 or more.

~~*Election cycle* means the period of time beginning 31 days following a municipal election for the particular office and ending 30 days following the next municipal election for that office. has the same meaning as that set forth within Colo. Const. Art. XXVIII, Section 6.~~

Electioneering communication means any communication broadcast by television or radio, printed in a newspaper or on a billboard, directly mailed, a website or other electronic communication transmitted by means of the internet, any signage placed in public view, or delivered by hand to personal residences or otherwise distributed that:

- (I) Unambiguously refers to any candidate without expressly advocating for that candidate; and
- ~~(II)~~ —Is broadcast, printed, mailed, delivered or distributed within 60 days during the timeframe in which a candidate is seeking election or an issue is pending decision before a municipal election.
- ~~(III)(II)~~ ~~Is broadcast to, printed in a newspaper distributed to, mailed to, delivered by hand or distributed in any way, electronically transmitted, or otherwise communicated by any means to any persons or any audience that includes members of the electorate for such public office; and~~
- ~~(IV)~~ No provisions of the definition of electioneering communication shall be construed to infringe on any rights granted by the United States Constitution or Colorado Constitution.

Expenditure means any purchase, payment, distribution, loan, advance, deposit, or gift of money by any person and/or group for the purpose of expressly advocating the election or defeat of a candidate or supporting or opposing a ballot issue or ballot question. An expenditure is made when the actual spending occurs or when there is a contractual agreement requiring such spending and the amount is determined. Expenditures may include reasonable expenses for child or adult dependent care to allow for active campaigning.

~~*Exploratory committee* means a committee formed by a potential candidate for the sole purpose of accepting contributions and making expenditures in order to determine whether or not the potential candidate should seek election to any public office of the city. "Exploratory committee" does not mean a political party, political committee, small donor committee, political organization, or independent expenditure committee.~~

Foreign corporation means:

- (I) A parent corporation or the subsidiary of a parent corporation formed under the laws of a foreign country that is functionally equivalent to a domestic corporation;
- (II) A parent corporation or the subsidiary of a parent corporation in which one or more foreign person and/or groups hold a combined ownership interest that exceeds 50 percent;
- (III) A parent corporation or the subsidiary of a parent corporation in which one or more foreign person and/or groups hold a majority of the positions on the corporation's board of directors; or

- (IV) A parent corporation or the subsidiary of a parent corporation whose United States-based operations, or whose decision-making with respect to political activities, falls under the direction or control of a foreign entity, including the government of a foreign country.

Frivolous means a claim or defense is lacking any rational argument based in law but does not include a legitimate attempt to establish a new theory of law or a good-faith effort to extend, modify, or reverse existing interpretations of law.

~~*Groundless* means a claim or defense is unsupported by any credible evidence, even if sufficient to withstand a motion to dismiss.~~

Group means any entity, other than a natural person, including but not limited to partnership, committee, association, corporation, labor organization, lobbyist, or other organization or group of persons.

Independent expenditure means an expenditure that is not controlled by or coordinated with any candidate or agent of such candidate. Expenditures that are controlled by or coordinated with a candidate or candidate's agent are deemed to be both contributions by the maker of the expenditure, and expenditures by the candidate's committee.

Independent expenditure committee means one or more persons and/or groups that make an independent expenditure in an aggregate amount \$500.00 or more, or that collect \$500.00 or more from one or more persons and/or groups for the purpose of making an independent expenditure.

Independent Hearing Officer means an individual with an extensive knowledge of the topic of this Code who is retained by the City to hear and decide alleged violations of this Code. To encourage the expedition of hearings held pursuant to this Code, the City may retain more than a single hearing officer to create a list of hearing officers to draw from as needed or may contract with a law firm to provide an associated attorney to serve as a hearing officer when needed.

Issue committee means any person ~~and/or group~~, other than a natural person, or any group of two or more persons, including natural persons:

- (I) That has a major purpose of supporting or opposing any ballot issue, or ballot question ~~For purposes of this subsection, major purpose can be determined by the organization's demonstrated pattern of conduct by spending thirty percent or more of the organization's funds as of at any point in the current or two preceding calendar years in support or opposition to one or more ballot issues; or and~~
- (II) That has accepted or made contributions or expenditures in excess of \$200.00 to support or oppose any ballot issue or ballot question.

The term "Issue committee" does not include political parties, political committees, small donor committees or candidate committees. An issue committee shall be considered open and active until affirmatively closed by such committee or by action of the appropriate authority.

Limited liability company includes any form of domestic entity as defined in Section 7-90-102(13), C.R.S., or foreign entity as defined in Section 7-90-102(23), C.R.S.; except that, as used in this ~~chapter~~Code, "limited liability company" shall not include a domestic corporation, a domestic cooperative, a domestic nonprofit association, a domestic nonprofit corporation, a foreign corporation, a foreign cooperative, a foreign nonprofit association, a foreign nonprofit corporation, as those terms are defined in Section 7-90-102, C.R.S., a nondomestic corporation as defined in Section 1-45-103(7), C.R.S. or a foreign corporation as defined in Section 1-45-103(10.5) C.R.S.

Media outlet means a publication or broadcast medium that transmits news, feature stories, entertainment, or other information to the public through various distribution channels, including, without limitation, newspapers; magazines; radio; the internet; and broadcast, cable, or satellite television.

Natural person means a human being.

Non-public information means confidential material in any form that is not available to the general public, including a non-public campaign plan, communications plan, campaign budget, specification of unmet and potentially unmet campaign needs, proposed or actual media buy, list or description of households or voters who will receive or have received materials under a mailing or other distribution program, polling or focus group results, or other proprietary material. "Non-public information," does not include communications dealing solely with candidate positions on legislative or policy issues or communications to or by an attorney, accountant, bookkeeper, or registered agent who provides services within the scope of their profession.

Obligating means, in connection with a named candidate, agreeing to spend \$500.00 more, for an independent expenditure or to give, pledge, loan, or purchase one or more goods, services, or other things of value that have a fair market value of \$500.00 or more, as an independent expenditure. "Obligating" shall not require that the total amount of \$500.00 or more be finally determined at the time of the agreement to spend moneys for an independent expenditure or to give, pledge, loan, or purchase anything of value.

Person means any natural person, partnership, committee, association, corporation, labor organization, political party, or other organization or group of persons.

Political committee means any person and/or group, other than a natural person, or any group of two or more persons, including natural persons that have accepted or made contributions or expenditures in excess of \$200.00 to support or oppose the nomination or election of one or more candidates. "Political committee" does not include political parties, issue committees or candidate committees.

Political organization means a political organization defined in Section 527(e)(1) of the federal "Internal Revenue Code of 1986", as amended, that is engaged in influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any state or local public office in the state and that is exempt, or intends to seek any exemption, from taxation pursuant to Section 527 of the Internal Revenue Code. "Political organization" shall not be construed to have the same meaning as "political organization" as defined in ~~Section~~ under

Colorado Revised Statute §1-1-104(24), C.R.S. for purposes of the "Uniform Election Code of 1992", Articles 1 to 13 of this Title.

Political party means any group of registered electors who, by petition or assembly, nominate candidates for the official general election ballot. "Political party" includes affiliated party organizations at the state, county and election district levels, and all such affiliates are considered to be a single entity for the purposes of this chapterCode.

Small donor committee means any political committee that has accepted contributions only from natural persons who each contributed no more than \$50.00 in the aggregate per year. For purposes of this chapterCode, dues transferred by a membership organization to a small donor committee sponsored by such organization shall be treated as pro-rate contributions from individual members. "Small donor committee" does not include any entity that qualifies as a political party, political committee, issue committee, or candidate committee.

Spending means funds expended influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any state or local public office in the state and includes, without limitation, any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything else of value by any political organization, a contract, promise, or agreement to expend funds made or entered into by any political organization, or any electioneering communication by any political organization.

Subsidiary means a business entity having more than half of its stock owned by another entity or person and/or group, or a business entity of which a majority interest is controlled by another person and/or group or entity.

Unexpended campaign contributions means the balance of funds on hand in any candidate committee at the end of an election cycle, less the amount of all unpaid monetary obligations incurred prior to the election in furtherance of such candidacy.

(Ord. O-2023-7 § 1, 2023; Ord. O-2013-22 § 1, 2013)

2.54.030 Candidates; Committees; Registration; Contribution Limits; Expenditures; Reporting.

A. *Candidates and Candidate Committees.*

- (1) *Affidavit of Candidacy.* Within ten days after an individual becomes a candidate and before circulating any petition, such individual shall certify, by affidavit filed with the City Clerk, that the candidate is familiar with the provisions of this chapterCode. (See definition of candidate.)
- (2) *Candidate Committee Registration.* Except as otherwise provided in this chapterCode, all candidate committees shall register with the City Clerk within ten days after accepting any contribution or making any expenditure. Registration shall include a statement listing:
 - (a) The organizationcommittee's full name, spelling out any acronyms used therein;

- (b) A natural person authorized to act as a registered agent or representative;
 - ~~(c)~~ A street address and telephone number for the principal place of operations;
 - ~~(d)(c)~~ ~~All affiliated candidates and committees;~~
 - ~~(e)(d)~~ The purpose or nature of interest of the committee or party;
 - ~~(f)(e)~~ The name of the financial institution where the committee has opened an account.
- (3) *Contribution Limits.* During an election cycle, a candidate committee may accept no more than \$400.00 from any natural person or political committee for candidates for City Council, and no more than \$800.00 from any natural person or political committee for candidates for Mayor. No candidate committee shall accept any contribution from any entity that is prohibited from contributing by this ~~chapter~~Code.
- (4) *Reports.*
- (a) All candidate committees shall report to the City Clerk: their contributions received, including the name, address, and amount contributed of each contributor; expenditures made; and obligations entered into by the committee.
 - (b) In the case of contributions made to a candidate committee, the disclosure required by this section shall also include the occupation and employer of each person and/or group who has made contributions totaling \$100.00 or more to such committee.
- (5) *Reimbursement.* A candidate's candidate committee may reimburse the candidate for expenditures the candidate has made on behalf of the candidate committee. Any such expenditures may be reimbursed at any time. Notwithstanding any other provision of law, any expenditure reimbursed to the candidate by the candidate's candidate committee within the election cycle during which the expenditure is made shall be treated only as an expenditure and not as a contribution to and an expenditure by the candidate's candidate committee.
- Notwithstanding the date on which any such expenditure is reimbursed, the expenditure shall be reported at the time it is made in accordance with the requirements of this section.
- (6) *Unexpended contributions—Candidate committees.* Unexpended campaign contributions to a candidate committee may be:
- (a) Contributed to a candidate committee established by the same candidate for a different public office, and only after if the candidate committee for the original position that wishes to make~~making~~ such a contribution is affirmatively closed by the candidate no later than ten days after the date such a contribution is made;
 - (b) Donated to a charitable organization recognized by the internal revenue service;
 - (c) Returned to the contributors or retained by the committee for use by the candidate in a subsequent campaign;

- (d) In no event shall contributions to a candidate committee be used for personal purposes not reasonably related to supporting the election of the candidate nor shall the contributions be donated to another candidate or candidate committee. However, this provision shall not prohibit a candidate committee from donating contributions to a candidate committee for the same candidate ~~but for~~ a different office;
- (e) A candidate committee for a former officeholder or a person not elected to office shall expend all of the unexpended campaign contributions retained by such candidate committee, for the purposes specified in this subsection (6), no later than nine years from the date such officeholder's term expired or from the date of the election at which such person was a candidate for office, whichever is later;
- (f) In addition to any use described in this subsection (6), a person elected to a public office may use unexpended campaign contributions held by the person's candidate committee for any of the following purposes:
 - (I) Voter registration;
 - (II) Political issue education, which includes obtaining information from or providing information to the electorate;
 - (III) Postsecondary educational scholarships;
 - (IV) To defray reasonable and necessary expenses related to mailings and similar communications to constituents;
 - (V) 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, and telephone~~and pager~~ expenses.
- (g) Unexpended campaign contributions held by a candidate committee cannot be donated to another person's candidate committee for any office or any ~~other~~-issue committee; and
- (h) Notwithstanding any other provision of law, any unexpended campaign contributions retained by a candidate committee for use in a subsequent election cycle shall be counted and reported as contributions.

~~(6.5) — Unexpended contributions — Exploratory committees. Unexpended contributions to an exploratory committee may be:~~

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

~~Returned to the contributors.~~

~~(9)(7)~~ Recall. Any candidate or candidate committee supporting any candidate, including an incumbent, in a recall election, shall file reports of contributions and expenditures with the City Clerk 4460, 30 and seven days before the recall election and 30 days after the recall election.

~~(10)(8)~~ Disclaimer.

- (a) A candidate committee making ~~an expenditure on~~ a communication that supports or opposes any candidate and that is broadcast by television or radio, printed in a newspaper or on a billboard, or printed yard sign, directly mailed, made available by means of the internet, or delivered by hand to personal residences, or otherwise distributed shall state, in the communication ~~produced by the expenditure~~, that it is paid for by the candidate committee making the communication expenditure.
- (b) The disclaimer required by subsection (a) of this section shall be printed on the communication clearly and legibly in a conspicuous manner.
- (c) If the communication is broadcast on radio, the disclaimer shall be spoken at the beginning or end of the communication.
- (d) (I) If the communication is broadcast on television, the disclaimer shall be written or spoken at the beginning or end of the communication. If the disclaimer is written, it shall appear for at least four seconds of any communication broadcast on television.
(II) The written disclaimer required by subparagraph (I) of this paragraph (d) shall appear in the communication in a conspicuous manner.
- (e) As to communications transmitted by means of the internet, the disclaimer shall be clearly visible and placed on or adjacent to the communication.

~~(9) — Exploratory committees.~~

~~(a) — An exploratory committee shall be subject to the same prohibitions on sources of contributions, the same dollar limits on contributions, the same registration and disclosure requirements, and the same disclosure calendar as a candidate committee under this chapter.~~

~~(b) — An exploratory committee's name shall include the first name and last name of the potential candidate who causes it to be formed, as well as the words "Exploratory Committee."~~

~~No exploratory committee may expressly advocate the election of any natural person, by expenditure made or otherwise, or make any contribution to the candidate's candidate committee or to any other candidate's candidate committee.~~

~~(c) — An exploratory committee must be closed on or before the date of filing a candidate committee by that potential candidate. After closure and the filing of a final report on the next regularly scheduled reporting date as specified in Section 2.54.040(1)(a)(I)(A), an exploratory committee shall have no further reporting duties.~~

- ~~(d) — An exploratory committee shall place a disclaimer on each of its communications that states:~~
- ~~(i) — The communication has been "paid for by (full name of the person and/or group paying for the communication)"; and~~
- ~~(ii) — The name of a natural person who is the registered agent of the exploratory committee.~~
- ~~(f) — In the case of a broadcast communication, the statement required by this section shall satisfy all applicable requirements promulgated by the Federal Communications Commission for size, duration, and placement.~~
- ~~(g) — In the case of a nonbroadcast communication, the City Clerk shall, by rule communicated and published by the City Clerk, establish size and placement requirements for the disclaimer.~~
- ~~(h) — As to communications transmitted by means of the internet, the disclaimer shall be clearly visible and placed on or adjacent to the communication.~~

B. *Issue Committees.*

- (1) *Registration.* Subject to the provisions of this section, each issue committee shall register with the City Clerk within ten calendar days of accepting or making contributions or expenditures in excess of \$200.00 to support or oppose any ballot issue or ballot question. If required to register under the requirements of this subsection, the registration of the issue committee shall include a statement containing the items listed ~~in paragraphs (a) to (f) of Subsection A(2) of this section in connection with other committees below:~~
 - (a) The committee's full name, spelling out any acronyms used therein;
 - (b) A natural person authorized to act as a registered agent or representative;
 - (c) A street address and telephone number for the principal place of operations;
 - (d) All affiliated committees;
 - (e) The purpose or nature of interest of the committee or party;
 - ~~(b)~~ (f) The name of the financial institution where the committee has opened an account.
- (2) *Ballot Issue or Ballot Question Determined.*
 - (a) Notwithstanding any other provision of law, and subject to the provisions of this section, a matter shall be considered to be a ballot issue or ballot question for the purpose of determining whether an issue committee has been formally established, thereby ~~—necessitating compliance with any disclosure, disclaimer, and reporting requirements of this chapter~~ Code:
 - (i) For a citizen-initiated petition, a title for the matter ~~—has been designated and fixed in accordance with law~~ is set upon determination that the requisite

number of signatures have been obtained and the petition has been determined to be sufficient;

- (II) For a measure referred to voters by the City Council rather than by initiative petition, the Council has adopted an ordinance to refer such matter to the voters of Lakewood.
- (b) Notwithstanding the provisions of this subsection, where a matter concerns a municipal annexation brought pursuant to Article 12 of Title 31, C.R.S., the matter shall not be considered to be a ballot issue or ballot question for the purpose of determining whether an issue committee has been formally established, thereby necessitating compliance with any disclosure and reporting requirements of this ~~chapter~~Code, unless and until the first notice of the annexation election has been published in accordance with the requirements of Section 31-12-112(6), C.R.S.
- (3) *Recall.* Any issue committee whose purpose is the recall of any elected official shall register with the ~~appropriate officer~~City Clerk within ten calendar days of accepting or making contributions or expenditures in excess of \$200.00 to support or oppose the recall. Reports of contributions and expenditures shall be filed with the ~~appropriate officer~~City Clerk ~~within 15 days of the filing of the committee registration and every 30 days thereafter until the date of the recall election has been established and then 1460 days, 30 days and~~ seven days before the recall election and 30 days following the recall election.
- (4) *Disclaimer.*
 - (a) An issue committee making an expenditure of ~~\$500.00~~ \$200.00 or more on a communication that supports or opposes a ballot issue or ballot question and that is broadcast by television or radio, printed in a newspaper or on a billboard, directly mailed, transmitted by means of the internet, or delivered by hand to personal residences, or posted by way of a yard sign, or otherwise distributed shall disclose, in the communication produced by the expenditure, the name of the issue committee making the expenditure.
 - (b) The disclaimer required by subsection (a) of this section shall be printed on the communication clearly and legibly in a conspicuous manner.
 - (c) If the communication is broadcast on radio, the disclaimer shall be spoken at the beginning or end of the communication.
 - (d) (I) If the communication is broadcast on television, the disclaimer shall be written or spoken at the beginning or end of the communication. If the disclaimer is written, it shall appear for at least four seconds of any communication broadcast on television.
 - (II) The written disclaimer required by subparagraph (I) of this paragraph (d) shall appear in the communication in a conspicuous manner.

(III) In the case of a limited liability company, the disclosure required by this section shall include, in addition to any other information required to be disclosed, each contribution from the limited liability company regardless of the dollar amount of the contribution.

(e) If the communication is transmitted by means of the internet, the disclaimer shall appear on or adjacent to the communication.

(5) *Unexpended Contributions.* Unexpended contributions to an issue committee may be donated to any charitable organization recognized by the Internal Revenue Service or returned to the contributor.

C. *Small Donor Committees.*

(1) *Registration.* Except as otherwise provided in this section, all small donor committees shall register with the City Clerk within ten days after accepting any contribution or making any expenditure. Registration shall include a statement listing:

- (a) The organization's full name, spelling out any acronyms used therein;
- (b) A natural person authorized to act as a registered agent or representative;
- (c) A street address and telephone number for the principal place of operations;
- (d) All affiliated candidates and committees;
- (e) The purpose or nature of interest of the committee or party.

(2) *Contribution limits.* During an election cycle, only natural persons may contribute to a small donor committee in an amount not more than \$50.00 to such small donor committee.

(3) *Contributions to candidate committees.* During an election cycle, small donor committees may contribute up to \$1,600.00 to candidates for mayor and up to \$800.00 to candidates for city council.

D. *All Committees—Disclosures; Prohibited Contributions.*

(1) *Disclosures.*

(a) All candidate committees shall report to the City Clerk; their contributions received, including the name; address; and amount contributed of each contributor ~~including the cumulative total of all contributions from each individual contributor;~~ expenditures made; and obligations entered into by the committee. Beginning January 1, 2025, the cumulative total of all contributions from each individual contributor shall also be reported.

(b) *Contributions over \$100.00.* In the case of the aggregate contributions made to a political committee or issue committee during an election cycle, the disclosure required by this section shall also include the occupation and employer of each person and/or group who has made a contribution of \$100.00 or more to such committee.

(2) *Prohibited Contributions.*

- (a) During an election cycle, no committee may accept any contribution from:
 - (I) A political party;
 - (II) An entity formed under and subject to the laws of a foreign country;
 - (III) A natural person who is not a citizen of the United States;
 - (IV) A foreign government; or
 - (V) Any person and/or group otherwise prohibited by law from making the contribution.
- (b) No committee may accept any contribution in currency or coin of more than ~~\$20.00~~ \$100.00 from any contributor or fail to report each contributor of currency or coin, regardless of the amount of the contribution made in currency or coin.
- (c) No candidate committee shall accept any contribution from any corporation or any labor organization.
- (d) No candidate may accept any contribution without knowing the identity of the contributor. No candidate may solicit anonymous contributions including any solicitation commonly referred to as "pass the hat" or "fishbowl" solicitation. Website contributions may be accepted if the contributor is properly identified.

~~(e)~~ —

E. *Political Organizations.*

- (1) Any political organization shall report to the City Clerk in accordance with the requirements of this ~~chapter~~Code:
 - (a) Any contributions it receives, including the name and address of each person and/or group who has contributed more than \$20.00 or more to the political organization in the reporting period, and the occupation and employer of each natural person who has made a contribution of \$100.00 or more to the political organization; and
 - (b) Any spending by the political organization in any one (1) reporting period.
- (2) During an election cycle, no political organization shall accept a contribution in currency or coin of more than ~~\$20.00~~ \$100.00 from any contributor or fail to report the receipt of contributors of currency or coin.
- (3) Nothing in this section shall be construed to:
 - (a) Require any political organization to make any additional disclosure pursuant to this section to the extent the political organization is already providing disclosure as a committee in a manner that satisfies the requirements of this ~~chapter~~Code; or

- (b) Authorize the City Clerk to require disclosure of the name of any natural person that is a member of an entity unless the natural person has made a contribution to a political organization in the amount of more than \$20.00 in a reporting period.

F. *Independent Expenditures/Independent Expenditure Committees.*

(1) *Registration.*

- (a) Any person and/or group that accepts a donation as an Independent Expenditure Committee that is given for the purpose of making an independent expenditure of \$500.00 or more or that makes an independent expenditure of \$500.00 or more shall register with the City Clerk within two business days of the date on which an aggregate amount of donations accepted or expenditures made reaches or exceeds \$500.00.
- (b) The registration required by paragraph (a) of this subsection (1) shall include each of the items listed in Section 2.54.030(A)(2) and:
 - (I) Any individual acting as an Independent Expenditure Committee shall provide that person's full name, spelling out any acronyms used therein; and
 - (II) The aggregate ownership interest in the Independent Expenditure Committee held by foreign nationals or foreign corporations calculated as of the time the person and/or group registers as an Independent Expenditure Committee with the City Clerk under paragraph (a) of this subsection (1).
- (c) If the person and/or group identified in subparagraph (I) of paragraph (b) of this subsection F (1) is a corporation, a subsidiary may register on behalf of its parent corporation or for other subsidiaries of the parent corporation, and the parent corporation may register on behalf of all of its subsidiaries. In each such case, the registered agent of the person and/or group registering shall serve as the registered agent for all such affiliated corporations. Registration of a subsidiary shall include the name of its parent corporation as well as any names under which the subsidiary does business.
- (d) If the person and/or group identified in subparagraph (I) of paragraph (b) of this subsection F (1) is a labor organization, a local labor organization may register on behalf of any affiliated local, national, or international labor organization that will be making independent expenditures, and a national or international labor organization may register on behalf of any affiliated local labor organization that will be making independent expenditures. In each such case, the registered agent of the labor organization that is registering shall serve as the registered agent for each affiliated local, national, or international labor organization.

(2) *Reporting.*

- (a) In addition to any other applicable disclosure requirements specified in this articleCode, any person and/or group making an independent expenditure in an aggregate amount of \$500.00 or more in any one calendar year shall report the following to the City Clerk:
 - (I) The person and/or group's full name, or, if the person and/or group is a subsidiary of a parent corporation, the full name of the parent corporation, spelling out any acronyms used therein;
 - (II) All names under which the person and/or group does business in the state if such names are different from the name identified pursuant to subparagraph (I) of this paragraph (a);
 - (III) The address of the home office of the person and/or group, or, if the person and/or group is a subsidiary of a parent corporation, the home office of the parent corporation; and
 - (IV) The name and street address in the state of its registered agent.
- (b) (I) Any person and/or group who expends an aggregate amount of \$500.00 or more per calendar year for the purpose of making an independent expenditure shall report to the City Clerk, in accordance with the requirements of this section, the name and address of any person and/or group that, for the purpose of making an independent expenditure, donates more than \$250.00 per year to the person and/or group expending \$500.00 or more on an independent expenditure.
 - (II) If the person and/or group making the donation of \$250.00 or more is a natural person, the disclosure required by subparagraph (I) of this paragraph (b) shall also include the donor's occupation and employer.
 - (III) If the person and/or group making the donation of \$250.00 or more is not a natural person, the disclosure required by this paragraph (b) shall also include:
 - (A) The donor's full name, or, if the donor is a subsidiary of a parent corporation, the full name of the parent corporation, spelling out any acronyms used therein;
 - (B) All names under which the donor does business in the state if such names are different from the name identified pursuant to subparagraph (I) of this paragraph (b);
 - (C) The address of the home office of the donor, or, if the donor is a subsidiary of a parent corporation, the home office of the parent corporation; and

- (D) The name and street address in the state of the donor's registered agent.
- (c) The information required to be disclosed pursuant to paragraph (a) of this subsection (4) shall be reported in accordance with the schedule specified in this ~~chapter~~Code; except that any person and/or group making an independent expenditure of \$500.00 or more within 30 days before a municipal election shall provide such report within 48 hours after obligating moneys for the independent expenditure.
- (3) *Disclaimer.*
 - (a) In addition to any other applicable requirements provided by law, and subject to the provisions of this section, any communication that is broadcast, printed, mailed, delivered, posted, or otherwise circulated that constitutes an independent expenditure for which the person and/or group making the independent expenditure expends of \$500.00 or more on the communication shall include in the communication a statement that:
 - (I) A statement that the communication has been "paid for by (full name of the person and/or group paying for the communication)"
 - (II) A statement that that the communication is "Not authorized by any candidate"; and
 - (III) The name of a natural person who is the registered agent if the person and/or group identified in subparagraph (I) of this paragraph (a) is not a natural person.
 - (b) In the case of a broadcast communication, the statement required by this section shall satisfy all applicable requirements promulgated by the Federal Communications Commission for size, duration, and placement.
 - (c) In the case of a ~~nonbroadcast~~non-broadcast communication, the City Clerk shall, by rule communicated and published by the City Clerk, establish size and placement requirements for the disclaimer.
 - (d) As to communications transmitted by means of the internet, the disclaimer shall be clearly visible and placed on or adjacent to the communication.
- (4) *Disclosure.* Any person and/or group, including a corporation that qualifies under Section 501(c)(4) of the Internal Revenue Code, that expends an aggregate amount of \$500.00 or more on an independent expenditure in any one calendar year shall deliver written notice to the City Clerk that shall list with specificity the name of the candidate whom the independent expenditure is intended to support or oppose. Where the independent expenditure is made within 30 days before an election, the notice required by subsection (3) shall be delivered within 48 hours after the person and/or group obligates moneys for the independent expenditure.

(5) *Accounting.* Any person and/or group that accepts any donation that is given for the purpose of making an independent expenditure or expends any moneys on an independent expenditure in an aggregate amount more than \$20.00 in any one calendar year shall establish a separate account in a financial institution, and the title of the account shall indicate that it is used for such purposes. All such donations accepted by such person and/or group for the making of any such independent expenditures shall only be deposited into the account, and any moneys expended for the making of such independent expenditure shall only be withdrawn from the account. As long as the person and/or group uses a separate account for the purposes of this section, in any enforcement proceeding relating to the use of the person and/or group's account, no discovery may be made of information relating to the identity of the person and/or group's members and general donors and any discovery is limited to the sources, amounts, and uses of donations deposited into and expenditures withdrawn from the account.

(6) *Donation.* Any person and/or group that expends moneys on an independent expenditure of \$500.00 or more, regardless of the medium of the communication produced by the expenditure, shall disclose to the City Clerk, in accordance with the schedule specified in in this ~~chapter~~Code, any donation given in that reporting period for the purpose of making an independent expenditure.

(7) *Identification of CEO and Lobbyists.* Any person and/or group that donates \$1,000.00 or more to any person and/or group during any one calendar year for the purpose of making an independent expenditure shall, within 48 hours of making the donation, report to the City Clerk the names and addresses of:

- (a) The person and/or group's chief executive officer or, for entities that have do not have an official with that title, the person performing the largest number of duties of a chief executive officer;
- (b) Any "professional lobbyist," as defined by C.R.S. 24-6-301(6), that has been paid by the person and/or group to communicate with one or more "covered officials," as defined by C.R.S.24-6-301(1.7); and
- (c) Any person and/or group paid to communicate with the Mayor or one or more City Council members concerning the passage, defeat, or amendment of City of Lakewood ordinances, resolutions, or rules.

(8) *Source of Donation.* Any earmarked donation given for the purpose of making an independent expenditure of \$500.00 or more shall be disclosed as a donation from both the original source of the donation and the person and/or group transferring the donation.

(9) *Provisional Designation of FMV.* On reports it files with the City Clerk, an independent expenditure committee that obligates \$500.00 or more for an independent expenditure shall disclose a good faith estimate of the fair market value of the expenditure if the committee does not know the actual amount of the expenditure as of the date that a report is required to be filed with the City Clerk.

(10) *Labor Organizations.* Notwithstanding any other provision of this section, any requirement contained in this section that is applicable to a corporation shall also be applicable to a labor organization.

G. *Limited Liability Companies.*

(1) *Prohibition on Contributions.*

- (a) No limited liability company shall make any contribution to a candidate committee ~~or exploratory committee~~ if one or more of the individual members of the limited liability company is:
 - (I) A natural person who is not a citizen of the United States;
 - (II) An entity formed under and subject to the laws of a foreign country;
 - (III) A foreign government; or
 - (IV) Otherwise prohibited by law from making the contribution.
- (b) No limited liability company shall make any contribution to a political committee if one or more of the individual members of the limited liability company is:
 - (I) A natural person who is not a citizen of the United States;
 - (II) An entity formed under and subject to the laws of a foreign country;
 - (III) A foreign government; or
 - (IV) Otherwise prohibited by law from making the contribution.
- (c) Notwithstanding any other provision of this subsection (G), no limited liability company shall make any contribution to a candidate committee ~~or exploratory committee~~ if ~~either~~ the limited liability company has elected to be treated as a corporation by the internal revenue service pursuant to 26 CFR 301.7701-3 or any successor provision or the shares of the limited liability company are publicly traded. A contribution by a limited liability company with a single natural person member that does not elect to be treated as a corporation by the internal revenue service pursuant to 26 CFR 301.7701-3 shall be attributed only to the single natural person member.

(2) *Disclosure.*

- (a) The disclosure required by this section shall include, in addition to any other information required to be disclosed, each contribution from the limited liability company regardless of the dollar amount of the contribution.
- (b) Any limited liability company that is authorized to make a contribution and which does make a contribution of \$100.00 or more to a candidate committee ~~or exploratory committee~~ shall, in writing, affirm to the candidate committee ~~or exploratory committee~~ to which it has made a contribution that it is authorized to

make a contribution, which affirmation shall also state the names and addresses of all of the individual members of the limited liability company. No candidate committee ~~or exploratory committee~~ shall accept a contribution from a limited liability company unless the written affirmation satisfying the requirements of this paragraph (b) is provided before the contribution is deposited by the candidate committee ~~or exploratory committee~~. The candidate committee ~~or exploratory committee~~ receiving the contribution shall retain the written affirmation for not less than one year following the date of the end of the election cycle during which the contribution is received. Any limited liability company that makes a contribution of less than \$100.00 shall not be required to identify the individual members of the limited liability company.

- (c) Any limited liability company that contributes to a candidate committee ~~or exploratory committee~~ shall attribute its contribution to its members by their percentage interests. No person and/or group who is a member of a limited liability company may exceed the contribution limits imposed by this ~~chapter~~ Code. Contributions to candidate committees, exploratory committees, or political committees, whether contributed from a person and/or group's own funds or by the funds attributed to that person and/or group from a limited liability company, shall be aggregated for purposes of determining that person and/or group's compliance with the applicable contribution limits.

H. *Political committees.*

(1) *Registration.* Except as otherwise provided in this section, all political committees shall register with the City Clerk within ten days after accepting any contribution or making any expenditure. Registration shall include a statement listing:

- (a) The organization's full name, spelling out any acronyms used therein;
- (b) A natural person authorized to act as a registered agent or representative;
- (c) A street address and telephone number for the principal place of operations;
- (d) All affiliated candidates and committees;
- (e) The purpose or nature of interest of the committee or party.

(2) *Contribution limits.* During an election cycle, a political committee may not accept contributions in excess of ~~\$250.00~~ the limits imposed by Article XXVIII of the Constitution of Colorado under Section 3, Contribution Limits, subsection (1)(b), and as adjusted pursuant to subsection (13) of that same section.

(Ord. O-2023-7 § 1, 2023; Ord. O-2013-22 § 1, 2013)

2.54.040 Reporting Requirements—Where and When Filed.

(4A) (a1) Except as otherwise provided in this ~~chapter~~ Code, all reports that are required to be submitted shall be filed with the City Clerk pursuant to the following schedule:

- (1a) ~~In the year of a regular municipal election, on April 15th, July 15th, September 15th, October 15th, October 25th, the Wednesday immediately preceding Election Day, and 30 days (A) On the 270th, 180th, 90th, 60th, 30th, and 7th before the regular municipal election; and (B) On the 30th day~~ after the regular municipal election.
- (b) In addition, such reports must be filed annually, in years other than regular municipal election years, on the first day of the month in which the anniversary of the regular municipal election occurs.
- (c) For incumbent members of city council not up for re-election in a regular municipal election year, such reports may be filed annually on the first day of the month in which the anniversary of the regular municipal election occurs.
- (d) If the reporting day falls on a weekend or legal holiday, the report shall be filed by the close of the next business day.
- (e) The reports required by this section shall also include:
 - (I) the balance of funds at the beginning of the reporting period;
 - (II) the total of contributions received during the reporting period;
 - (III) the total of expenditures made during the reporting period;
 - (IV) the total of all loans, ~~and~~ loan repayments and loan forgiveness in the reporting period);
 - (V) ~~and~~ the name and address of the financial institution used by the committee; and
 - (VI) the total cumulative amount from all reports for (II), (III), and (IV).
- (f) The reports required by this section shall be filed regardless of whether the candidate committee received any contributions or made any expenditures during the reporting period. A candidate committee for a former officeholder or a person and/or group not elected to office that has no change in the balance of funds maintained by such committee, receives no contributions, makes no expenditures, and enters into no obligations during a reporting period shall nevertheless be required to file a report under this section for such period.
- (g) All reports shall be filed with the City Clerk ~~pursuant to this subsection (1) shall be for the reporting periods established pursuant to rules promulgated by the City Clerk.~~
- (h) The reporting period for all reports required to be filed with the City Clerk shall close three calendar days prior to the mandated date of filing.

- (i) After a proposed ballot question or proposed ballot issue becomes an "issue" under Section 2.54.030(B)(2)(a), issue committees shall file reports on the ~~fifth day of January, April, July, and October until the sixtieth day before the election at which such issue will be presented to the voters of Lakewood, at which point issue committees shall file on the 90th,~~ 60th, 30th, and 7th days before such election, as well as 30 days after such election.
- (j) Where a special election has been scheduled, reports by committees or person and/or groups who contribute, expend, or spend moneys that are reportable must file their reports on the 60th, 30th, and 7th day before such election, as well as 30 days after such election.
- (2) Reserved.
- (3) ~~Any candidate or candidate committee supporting any candidate, including an incumbent~~All committees involved in supporting or opposing a position in a recall election, including candidate, issue and political committees, or advocating the recall of any incumbent, shall file reports of contributions and expenditures with the City Clerk 90, 60, 30, and seven days before the recall election and 30 days after the recall election.
- (4) For the purpose of meeting the filing and reporting requirements of this ~~article~~Code, 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, as well as any independent expenditure committees that expressly advocate and any person and/or groups making electioneering communications that unambiguously refer to such candidates, shall file with the City Clerk.
- (5)
 - (a) The City Clerk shall establish, operate, and maintain a system that enables electronic filing using the internet of the reports required by this ~~article~~Code to be filed with the City Clerk's Office. ~~If possible, the City Clerk shall utilize the same, or similar system for campaign finance reporting as the Colorado Secretary of State.~~ The City Clerk may require any filing under this section to be made by electronic means as determined by the City Clerk. The rules for use of the electronic filing system shall be promulgated by the City Clerk. The City Clerk shall make all filings required by this section publicly available on the City Clerk's website no later than the close of business on the third business day after the filing was received.
 - (b) Any person and/or group required to file with the City Clerk's Office shall use the electronic filing system described in paragraph (a) of this subsection (5) in order to meet the filing requirements of this ~~article~~Code, if so required by the Clerk in accordance with paragraph (a) of this subsection (5), except insofar as an alternate method of filing may be permitted by the City Clerk. Where a person and/or group uses such electronic filing system to meet the filing requirements of this

articleCode, the City Clerk shall acknowledge by electronic means the receipt of such filing.

- (6) Subsection (1) of this section shall not be construed to require the City Clerk to review electronically filed reports.

(Ord. O-2023-7 § 1, 2023; Ord. O-2019-24 § 4, 2019; Ord. O-2013-22 § 1, 2013)

2.54.050 Duties of the City Clerk—Recordkeeping—Enforcement—Sanctions.

A. *Forms—Rules—Recordkeeping.* The City Clerk shall:

- (1) Prepare forms and instructions to assist candidates and the public in complying with the reporting requirements of this chapterCode and make such forms and instructions available to the public free of charge, and provide training sufficient to acquaint candidates and the public with all provisions of this Code;
- (2) Promulgate such rules as may be necessary to enforce and administer any provision of this chapterCode;
- (3) Maintain a filing and indexing system consistent with the purposes of this chapterCode;
- (4) Make the reports, complaints, and statements filed with the City Clerk's Office available immediately for public inspection and copying. The City Clerk may charge a reasonable fee for providing copies of reports. The City Clerk shall make all reports, complaints, and statements required by this section publicly available on the City Clerk's website no later than the close of business on the day after the filing was received. No information copied from such reports shall be sold or used by any person and/or group for the purpose of soliciting contributions or for any commercial purpose;
- (5) Keep a copy of any report or statement required to be filed by this chapterCode for the period set forth in the city's records retention policy; and
- (6) Notify any person and/or group under their jurisdiction who has failed to fully comply with the provisions of this chapterCode and notify any person and/or group if a complaint has been filed with the City Clerk alleging a violation of this chapterCode. The Clerk shall notify, within 24 hours~~three business days~~, of the person's or group's failure to complete the mandatory filing documents comply with the provisions of this chapter and/or of the filing of a complaint alleging a violation of this chapter.

B. *Enforcement.*

- (1) Any person and/or group who believes that a violation of this chapterCode has occurred may file a written complaint with the City Clerk no later than 120 days after the date of filing of the report containing the alleged violation. The City Clerk shall, within 24 hours, notify the person or group who/which is the subject of the allegation that a complaint alleging a violation of this section has been filed. The City Clerk shall also determine within 72 hours~~three business days~~ of the filing of the complaint whether or not the complaint is valid. A complaint is valid if it: is frivolous or groundless

- (a) Was timely filed under this code;
- (b) Specifically identifies one or more violations of this code; and
- (c) Alleges/contains sufficient facts to support a factual and legal basis for the finding of violations of law as alleged.

(2) Within the same 72-hour-three business day period the City Clerk shall notify the parties of that determination and post a copy of the City Clerk's decision on the City Clerk's website. who has been alleged to have committed a violation within 24 hours of the receipt of a complaint and shall determine The City Clerk's decision shall be based on the complaint and any additional inquiry made by the City Clerk of identified interested parties, and whether the complaint is frivolous or groundless meets the above stated qualifications. The City Clerk shall dismiss a frivolous or groundless complaint that doesn't meet the stated requirements of this section and shall notify the parties. Where a complaint is neither frivolous nor groundless deemed to meet the requirements of this section, the City Clerk shall so notify the parties. The City Clerk shall within 72 hours of the filing of the complaint determine whether or not the complaint is frivolous or groundless, and shall within that same 72 hours notify the parties of that determination, and post a copy of the City Clerk's determination on the City Clerk's website. Additionally, the following provisions shall be applied to any complaint deemed to meet the requirements of this section.

- (a) When a person and/or group can cure its non-compliance due to an inadequate report or a failure to file a required report or item thereon, the City Clerk shall accept an amended report or reports within 72 hours-three business days of notifying the parties that the complaint is neither frivolous or groundless valid.
- (b) Unless any non-compliance is dismissed, is cured as provided herein, or results in penalties imposed by the City Clerk as provided herein, the City Clerk shall refer a non-frivolous, non-groundless complaint to an independent hearing officer within three days of the City Clerk's determination. Within five (5) business days of determining that the complaint is valid the City Clerk shall announce a date for a hearinghearing officer shall hold a hearing within 15 5 days of the referral of the complaint. The Clerk shall prioritize holding such hearing within thirty (30) days from the date that non-compliance is found, but such hearing date may be later due to the scheduling of the hearing officer, witnesses, and other interested parties. , but aAny party shall be granted an extension of up to 3015 days upon motion, or longer upon a showing of good cause. The City Attorney shall engage an attorney not employed by the City who is experienced in campaign finance law to or his designee shall represent the City Clerk in prosecuting any non-frivolous, non-groundless-valid complaint referred to a hearing officer and that attorney shall present the case to the hearing officer and be allowed to present evidence, including witnesses, in support of the claims. The person against whom the

complaint was filed shall be allowed to rebut the claims in the complaint and present evidence, including witnesses, in support thereof.

- (c) The hearing officer shall render a decision within fifteen (145) 5-days after the hearing. If the hearing officer determines that a violation has occurred, the decision shall include any appropriate order, sanction or relief authorized by this chapterCode. The decision of the hearing officer shall be final, subject to review by the district court. The hearing officer is not a necessary party to the review. When final, the decision shall be enforced by the City Clerk. The failure of a hearing officer to render a decision within 15 5-days will result in the City Attorney's Office contacting to the hearing officer from the City Attorney's Office and requesting an expeditious a decision within five (5) 2-days or the City Attorney may dismiss the hearing officer and appoint a replacement hearing officer. Failure to render a decision within thirty (30) days following the conclusion of a hearing shall make such hearing officer ineligible to serve as a hearing officer for the City for two years.
- (b)(d) The hearing officer shall impose a fine in accordance with this Code. Where the hearing officer is given discretion to determine the appropriate fine amount such determination shall be made based upon the facts, evidence and any documents upon which the hearing officer relied in making the determination of the matter. Additionally, the hearing officer shall invite both parties to submit written arguments in support of the imposition of a specific fine amount.
- (a) ~~Based on information of which the City Clerk is aware and finds credible and reliable, the City Clerk may initiate a complaint by transmitting specific allegations, in writing, to the party believed to be in violation of any provision of this chapter. When the City Clerk has written confirmation that the Complaint has been received by the party to whom it was addressed, the provisions of subsections (1.2) and (2) of this section apply.~~
- (3) Both ~~1~~ the City Clerk, and a hearing officer are authorized to issue subpoenas upon referral to a hearing officer, a hearing officer are authorized to issue subpoenas. Any subpoenas requiring the production of documents by an issue committee shall be limited to documents pertaining to contributions to, or expenditures from, the committees' separate account established pursuant to this chapter to support or propose a ballot issue or ballot question. If the issue committee fails to form a separate account through which a ballot issue or ballot question is supported or opposed, the subpoena shall not be subject to the foregoing limitation.
- (4) The hearing officer shall not accept as a defense to any alleged violation that the violation was unintentional or that the alleged violator was unaware of the requirements of this code.

C. *Sanctions.*

- (1) Any person and/or group who violates any provision of this ~~chapter~~Code by making prohibited contributions to any committee shall be subject to a civil penalty of ~~at least double and up to five~~two times the amount contributed, received, or spent in violation of the applicable provision. Any candidate committee that accepts prohibited contributions shall be subject to a civil penalty in the amount of ~~one to~~two times the amount contributed. Candidates shall be personally liable for penalties imposed upon the candidate's committee.
- (2) (a) Any committee ~~other than an exploratory committee~~ that fails to file required reports or any required disclosure on such reports shall be subject to penalties, imposed by the ~~City Clerk's Code~~, ~~of up to~~:
 - \$10.00 per day for the first through the fifth day the information is late;
 - \$25.00 per day ~~for~~ from the sixth day to the tenth day the information is late;
 - \$50.00 per day for eleventh through the date the required report is filed~~the fifteenth day the information is late~~.
- (b) The City Clerk must provide notice, via email at an email address provided by the candidate or committee, of any failure to file required reports, or file complete reports, after the ~~report is three days~~24 hours late due date. ~~Should the City Clerk fail to do so, no fines shall be assessed beyond those fines for the original three days overdue.~~
- (c) ~~After such notice is provided by the City Clerk, a candidate or committee is allowed three days to file or cure a report that was incorrectly filed, without any other fines assessed beyond those fines for the original three days overdue.~~ All fines imposed for violation of this Code shall be published on the City Clerk's website from the date of imposition until thirty (30) days following the date upon which the fine was paid. ~~For information filed more than 15 days after it is due, the City Clerk shall refer the matter to a hearing officer who may impose appropriate penalties based upon the evidence admitted at hearing.~~
- (2.1) (a) As to all person and/or groups and committees other than candidate committees ~~and exploratory committees~~, a hearing officer ~~may~~shall impose the following penalties, in conformance with L.M.C. 2.54.050(B)(2)(d) regarding hearing officer authority to impose fines, if it is established that a disclaimer required to be used pursuant to this ~~chapter~~Code did not materially comply with the requirements of this ~~chapter~~Code:
 - Up to \$1,000.00 for communications received more than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

Up to \$2,500.00 for communications received more than 30 but less than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

Up to \$5,000.00 for communications received up to 30 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication.

- (b) ~~As to candidate committees, the City Clerk shall impose the following penalties shall be imposed on candidate committees~~ if it is established that a disclaimer required to be used pursuant to this ~~chapterCode~~ was not included on the communication distributed or did not materially comply with the requirements of this ~~chapterCode~~:

\$100.00 for communications received more than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

\$250.00 for communications received more than 30 but less than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

\$500.00 for communications received up to 30 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication.

~~(2.2) (a) An exploratory committee that fails to file any required reports or any required disclosure on such reports shall be subject to penalties, imposed by the City Clerk, of up to \$10.00 per day for each day the information is late.~~

~~(b) As to exploratory committees, the City Clerk shall impose a penalty if it is established that a disclaimer required to be used pursuant to this chapter was not included on the communication distributed or did not materially comply with the requirements of this chapter. Such penalty shall be \$100.00 for communications received prior to the potential candidate's filing of their candidate affidavit, as provided in Section 2.54.030(A)(1).~~

(2.2) Reserved

~~(2.3) Where a disclaimer has been omitted but the origin of the communication is not apparent to the City Clerk, the City Clerk may retain appropriate professionals to assist in identifying, investigating, and, where appropriate, initiating a complaint against the person and/or group that paid for or facilitated the distribution of such communication without the required disclaimer. Person and/or groups who paid for or facilitated the distribution of such communications may be ordered, as part of any sanction imposed, to fully reimburse the City Clerk for the costs of identifying and investigating said person and/or group.~~

(2.3) For all other violations of this code where a penalty is not specified, the penalty shall be \$250.00 per violation.

- (3) Upon imposition of a penalty pursuant to this subsection, the City Clerk shall send the person and/or group upon whom the penalty is being imposed proper notification by certified mail of the imposition of the penalty. If an electronic mail address is on file with the City Clerk, the City Clerk shall also provide such notification by electronic mail.
- (4) Any person and/or group required to file a report with the City Clerk or required to include a disclaimer on a candidate communication regulated by this ~~chapter~~Code and upon whom a penalty has been imposed pursuant to this section may appeal such penalty by filing a written appeal with the City Clerk no later than 30 days after the date on which notification of the imposition of the penalty was mailed to such person and/or group's last known address. Except as provided herein, the City Clerk shall refer the appeal to the hearing officer. Any hearing conducted by a hearing officer shall be conducted in accordance with any ~~standardized rules and regulations procedures~~ promulgated by the City Clerk pursuant to this ~~chapter~~ Code. The hearing officer shall set aside or reduce the penalty upon a showing of good cause, and the person and/or group filing the appeal shall bear the burden of proof. The decision of the hearing officer shall be final and subject to review by the district court. If the hearing officer finds that the filing of an appeal brought pursuant to this section was ~~frivolous, groundless, or vexatious~~ frivolous, the hearing officer shall order the person and/or group filing the appeal to pay reasonable attorney fees and costs of the City Clerk in connection with such proceeding.
- (5) In connection with any complaint brought to enforce any requirement of this ~~chapter~~Code, including a complaint initiated by the City Clerk, the hearing officer shall order disclosure of the source and amount of any undisclosed donations, spending, contributions, or expenditures.
- (6) In any action brought to enforce any provision of this ~~chapter~~Code, the membership lists of a labor organization or, in the case of a publicly held corporation, a list of the shareholders of the corporation, shall not be disclosed by means of discovery or by any other manner.
- (7) The City Clerk may reject any report if it is incomplete ~~or contains any inaccurate information~~. The applicant shall have ten days from the date the City Clerk provides notice of the deficiency to amend the report to cure any such deficiency.
- ~~(8) The City Clerk shall adopt rules that establish criteria for waiver of a penalty for noncompliance in the event a committee has substantially complied with this ordinance, or any noncompliance occurred despite the good faith efforts of the committee to comply with this ordinance.~~
- ~~(9)~~(8) Any unpaid debt owed to the City ~~of \$1,000.00 or more~~, resulting from a penalty imposed pursuant to this Chapter 2.54, shall be collected by the City of Lakewood through such ~~judicial~~ remedies as the City of Lakewood may initiate. If the City of Lakewood pursues such remedies, it shall be entitled to recover its: costs incurred ~~as provided in subsection (2.4) of this Section 2.54.050; attorney fees; costs of litigation; and other fees associated~~

~~with the legal action undertaken. The court may also issue such orders as it finds necessary or appropriate to enforce any order requiring disclosure of the source and amount of any undisclosed donations, spending, contributions, or expenditures.~~

(Ord. O-2023-7 § 1, 2023; Ord. O-2013-22 § 1, 2013)

2.54.060 City Limitations on Contributions.

- A. (1) No agency, department, board, division, bureau, commission, or council of the City of Lakewood shall make any contribution in campaigns involving the nomination, retention, or election of any person and/or group to any public office, nor shall any such entity make any donation to any other person and/or group for the purpose of making an independent expenditure, nor shall any such entity expend any moneys from any source, or make any contributions, to urge electors to vote in favor of or against any:
- (a) Statewide ballot issue that has been submitted for the purpose of having a title designated and fixed pursuant to Section 1-40-106(1), C.R.S. or that has had a title designated and fixed pursuant to that section;
 - (b) Local ballot issue that has been submitted for the purpose of having a title fixed pursuant to Section 31-11-111, C.R.S. or that has had a title fixed pursuant to that section;
 - (c) Referred measure, as defined in Section 1-1-104(34.5), C.R.S.;
 - (d) Measure for the recall of any officer that has been certified by the appropriate election official for submission to the electors for their approval or rejection.
- (2) Nothing in this section shall be construed as prohibiting:
- (a) A member or employee of any such agency, department, board, division, bureau, commission, or council of the City of Lakewood from responding to questions about any such issue described in subparagraph (1) of this paragraph (a) if the member, employee, or public entity has not solicited the question.
 - (b) (I) An agency, department, board, division, bureau, commission, or council of the City of Lakewood from expending public moneys or making contributions to dispense a factual summary, which shall include arguments both for and against the proposal, on any issue of official concern before the electorate in the jurisdiction. Such summary shall not contain a conclusion or opinion in favor of or against any particular issue. As used herein, an issue of official concern shall be limited to issues that will appear on an election ballot in the jurisdiction.
 - (II) An elected official from expressing a personal opinion on any issue.

(III) An agency, department, board, division, bureau, commission, or council of the City of Lakewood:

- (A) Passing a resolution or taking a position of advocacy on any issue described in subparagraph (I) of paragraph (a) of this subsection (1); ~~or~~
- (B) Reporting the passage of or distributing such resolution through established, customary means, other than paid advertising, by which information about other proceedings of such agency, department, board, division, bureau, or council of the City of Lakewood is regularly provided to the public; or
- (C) A member or an employee of an agency, department, board, division, bureau, commission, or council of the City of Lakewood from expending personal funds, making contributions, or using personal time to urge electors to vote in favor of or against any issue described in subparagraph (I) of paragraph (a) of this subsection (1).

B. The provisions of subsection (1) of this section shall not apply to:

- (1) An official residence furnished or paid for by the City of Lakewood;
- (2) Security officers who are required to accompany a candidate or the candidate's family;
- (3) Publicly owned motor vehicles provided for the use of the chief executive of the City of Lakewood;
- (4) Publicly owned aircraft provided for the use of the chief executive of the City of Lakewood or the executive's family for security purposes; except that, if such use is, in whole or in part, for campaign purposes, the expenses relating to the campaign shall be reported and reimbursed pursuant to subsection (3) of this section.

C. A member or employee of any such agency, department, board, division, bureau, commission, or council of the City of Lakewood who has policy-making responsibilities may not expend public moneys expressing an opinion on any such issue described in subparagraph (I) of this paragraph.

D. If any candidate who is also an incumbent inadvertently or unavoidably makes any expenditure which involves campaign expenses and official expenses, such expenditures shall be deemed a campaign expense only, unless the candidate, not more than ten working days after such expenditure, files with the City Clerk such information as the City Clerk may, by rule communicated and published by the City Clerk, require in order to differentiate between campaign expenses and official expenses. Such information shall be set forth on a form provided by the City Clerk. In the event that public moneys have been expended for campaign expenses and for official expenses, the candidate shall reimburse the City of Lakewood for the amount of money spent on campaign expenses.

- E. Any violation of this section shall be subject to any appropriate order or relief, including an order directing the person and/or group making a contribution or expenditure in violation of this section to reimburse the fund of the City of Lakewood from which such moneys were diverted for the amount of the contribution or expenditure, injunctive relief, or a restraining order to enjoin the continuance of the violation.
- F. Failure to comply with any provision of this ~~chapter~~Code shall have no effect on the validity of any election.

(Ord. O-2023-7 § 1, 2023; Ord. O-2019-24 § 4, 2019; Ord. O-2013-22 § 1, 2013)

2.54.070 Electioneering Communications.

(1) Any person and/or group, including a corporation that qualifies under section 501(c)(4) of the Internal Revenue Code, that expends \$500.00 or more per calendar year on electioneering communications shall report to the City Clerk, in accordance with the disclosure required by this section, the amount expended on the communications and the name and address of any person and/or group that contributes more than \$250.00 per year to the person and/or group expending \$500.00 or more on the communications. If the person and/or group making a contribution of more than \$250.00 is a natural person, the disclosure required by this section shall also include the person's occupation and employer.

(2) Any person and/or group, including a corporation that qualifies under Section 501(c)(4) of the Internal Revenue Code, that contributes \$500.00 or more during any one calendar year for the purpose of making an electioneering communication shall, within 48 hours of making the donation, report to the City Clerk the names and addresses of:

- (a) The person and/or group's chief executive officer or, for entities that have do not have an official with that title, the person performing the largest number of duties of a chief executive officer;
- (b) Any "professional lobbyist," as defined by C.R.S. 24-6-301(6), that has been paid by the person and/or group to communicate with one or more "covered officials," as defined by C.R.S. 24-6-301(1.7); and
- (c) Any person and/or group paid to communicate with the Mayor or one or more City Council members concerning the passage, defeat, or amendment of City of Lakewood ordinances, resolutions, or rules.

(3) *Disclaimer.*

- (a) In addition to any other applicable requirements provided by law, and subject to the provisions of this section, any electioneering communication on which the person and/or group responsible for the communication expends \$500.00 or more shall include in the communication a statement that:

- (I) The communication has been "paid for by (full name of the person and/or group paying for the communication)";
 - (II) The communication is "Not authorized by any candidate"; and
 - (III) The name of a natural person who is the registered agent if the person and/or group identified in subparagraph (I) of this paragraph (a) is not a natural person.
- (b) In the case of a broadcast communication, the statement required by this section shall satisfy all applicable requirements promulgated by the Federal Communications Commission for size, duration, and placement.
 - (c) In the case of a ~~nonbroadcast~~ non-broadcast communication, the City Clerk shall, by rule communicated and published by the City Clerk, establish size and placement requirements for the disclaimer.
 - (d) As to communications transmitted by means of the internet, the disclaimer shall be clearly visible and placed on or adjacent to the communication.

(Ord. O-2023-7 § 1, 2023; Ord. O-2013-22 § 1, 2013)

2.54.080 Miscellaneous Provisions.

A. *Media outlets—Political records.* Any media outlet that is subject to the provisions of 47 U.S.C. sec. 315(e) shall maintain and make available for public inspection such records as the outlet is required to maintain to comply with federal law or rules.

B. *Immunity from liability.*

(1) Any individual volunteering their time on behalf of a candidate or candidate committee shall be immune from any liability for a fine or penalty imposed pursuant to this ~~chapter~~Code in any proceeding that is based on an act or omission of such volunteer if:

- (a) The volunteer was acting in good faith and within the scope of such volunteer's official functions and duties for the candidate or candidate committee; and
- (b) The violation was not caused by willful and intentional misconduct by such volunteer.

(2) Any media outlet shall be immune from civil liability in any court where the media outlet:

- (a) Withdraws advertising time reserved by an independent expenditure committee that fails to register in accordance with the requirements of Section 2.54.030(F); or
- (b) Elects to void an advertising contract and the advertisement:
 - (I) Is paid for by an independent expenditure committee that fails to register under this ~~chapter~~Code;

(II) Is paid for by an independent expenditure committee that is registered under Section 2.54.030 but the committee fails to file a required disclosure report through the date of the most recent required report; or

(III) If the independent expenditure committee otherwise fails to satisfy any requirements of this [chapterCode](#).

(3) An affected media outlet may void a contract that implicates paragraph (b) of subsection (2) of this section in the sole discretion of the media outlet.

C. *Expenditures—Political advertising—Rates and charges.*

(1) No candidate shall pay to any radio or television station, newspaper, periodical, or other supplier of materials or services a higher charge than that normally required for local commercial customers for comparable use of space, materials, or services. Any such rate shall not be rebated, directly or indirectly.

(2) Any radio or television station, newspaper, or periodical that charges a candidate committee a lower rate for use of space, materials, or services than the rate such station, newspaper, periodical, or supplier charges another candidate committee for the same public office for comparable use of space, materials, or services shall report the difference in such rate as a contribution to the candidate committee that is charged such lower rate.

(3) Nothing in this [articleCode](#) shall be construed to prevent an adjustment in rates related to frequency, volume, production costs, and agency fees if such adjustments are offered consistently to other advertisers.

D. Encouraging withdrawal from campaign prohibited. No person and/or group shall offer or give any candidate or candidate committee any money or any other thing of value for the purpose of encouraging the withdrawal of the candidate's candidacy, nor shall any candidate offer to withdraw a candidacy in return for money or any other thing of value.

(Ord. O-2023-7 § 1, 2023; Ord. O-2019-24 § 4, 2019; Ord. O-2013-22 § 1, 2013)

Draft 7/29/24

AD HOC COMMITTEE

Chapter 2.54 CAMPAIGN REGULATIONS AND POLITICAL FINANCE IN MUNICIPAL ELECTIONS

2.54.010 Declaration.

As a home rule City established under Article XX of the Colorado Constitution, the City of Lakewood and the Lakewood City Council find and declare that preserving openness and integrity in the political process is in the best interests of the health, safety and welfare of the citizens of Lakewood. It is therefore the intent of this Code to foster an open political process that emphasizes transparency and accountability to ensure candidates for municipal office that campaign donations do not result in corruption or the appearance of corruption. Further, in order to make informed decisions about the election-related materials they see, voters of the City of Lakewood need complete and timely reporting to the City Clerk by all persons and/or groups subject to disclosure responsibilities, as well as accurate disclaimers that inform voters who paid for the communications distributed.

(Ord. O-2023-7 § 1, 2023; Ord. O-2018-22 § 2, 2018; Ord. O-2013-22 § 1, 2013.

2.54.020 Definitions.

As used in this chapter, unless the context otherwise requires:

Ballot issue means a local government matter arising under Section 20 of Article X of the State Constitution, as defined in Sections 1-41-102(4) and 1-41-103(4) of the Colorado Revised Statutes.

Ballot question means a local government matter involving a citizen petition or referred measure, other than a ballot issue.

Candidate means any person who seeks nomination or election to any local public office that is to be voted on at any municipal election. A person is a candidate for election if the person has publicly announced an intention to seek election to public office and thereafter has received a contribution or made an expenditure in support of their candidacy. A person remains a candidate for purposes of this Code so long as the candidate maintains a registered candidate committee. A person who maintains a candidate committee after an election cycle, but who has not publicly

announced an intention to seek election to public office in the next or any subsequent election cycle, is a candidate for purposes of this Code.

Candidate committee means a person and/or group, including the candidate, or persons with the common purpose of receiving contributions or making expenditures under the authority of a candidate. A contribution to a candidate shall be deemed a contribution to the candidate's candidate committee. A candidate shall have only one candidate committee. A candidate committee shall be considered open and active until affirmatively closed by the candidate or by action of the City Clerk.

Code means Chapter 2.54 of the Lakewood Municipal Code regarding Campaign Regulations and Political Finance in Municipal Elections.

Contribution means:

- (I) the payment, loan, pledge, gift, or advance of money, or guarantee of a loan, made by any person or committee to any candidate committee, issue committee, political committee or small donor committee;
- (II) any payment made to a third party for the benefit of any candidate committee, issue committee, political committee or small donor committee;
- (III) the fair market value of any gift or loan of property made to any candidate committee, issue committee, political committee or small donor committee;
- (IV) anything of value given, directly or indirectly, to a candidate for the purpose of promoting the candidate's nomination, election, retention, or recall or election.

The term "Contribution" includes, with regard to a contribution for which the contributor receives compensation or consideration of less than equivalent value to such contribution, including, but not limited to, items of perishable or nonpermanent value, goods, supplies, services, or participation in a campaign-related event, an amount equal to the value in excess of such compensation or consideration as determined by the candidate committee.

Contribution also includes:

- (I) Any payment, loan, pledge, gift, advance of money, or guarantee of a loan made to any political organization;
- (II) Any payment made to a third party on behalf of and with the knowledge of the political organization; or
- (III) The fair market value of any gift or loan of property made to any political organization.

"Contribution" does not include services provided without compensation by individuals volunteering their time on behalf of a candidate, candidate committee, political committee or small donor committee; a transfer by a membership organization of a portion of a member's dues to a small donor committee or political committee sponsored by such membership organization; or payments by a corporation or labor organization for the costs of establishing, administering and

soliciting funds from its own employees or members for a political committee or small donor committee.

Coordination means one or more substantial discussions relating to the making of one or more expenditures at the request, suggestion, or direction of, or under the control of or in consultation with a candidate committee or its agent (including a consultant) acting on behalf of or with the consent of a candidate, where such expenditure relies on non-public information.

Corporation means a domestic corporation incorporated under and subject to the "Colorado Business Corporation Act", Articles 101 to 117 of Title 7, C.R.S., a domestic nonprofit corporation incorporated under and subject to the "Colorado Revised Nonprofit Corporation Act", Articles 121 to 137 of Title 7, C.R.S., or any corporation incorporated under and subject to the laws of another state. For purposes of this Code, "domestic corporation" shall mean a for-profit or nonprofit corporation incorporated under and subject to the laws of the State of Colorado, and "nondomestic corporation" shall mean a corporation incorporated under and subject to the laws of another state or foreign country. For purposes of this Code, "corporation" includes the parent of a subsidiary corporation or any subsidiaries of the parent, as applicable.

Donation means:

- (I) The payment, loan, pledge, gift, or advance of money, or the guarantee of a loan, made to any person and/or group for the purpose of making an independent expenditure;
- (II) Any payment made to a third party that relates to, and is made for the benefit of, any person and/or group that makes an independent expenditure;
- (III) The fair market value of any gift or loan of property that is given to any person and/or group for the purpose of making an independent expenditure; or
- (IV) Anything of value given, directly or indirectly, to any person and/or group for the purpose of making an independent expenditure.

"Donation" shall not include a transfer by a membership organization of a portion of a member's dues for an independent expenditure sponsored by such membership organization.

Earmark means a designation, instruction, or encumbrance that directs the transmission by the recipient of all or part of a donation to a third party for the purpose of making one or more independent expenditures of \$500.00 or more.

Election cycle has the same meaning as that set forth within Colo. Const. Art. XXVIII, Section 6.

Electioneering communication means any communication broadcast by television or radio, printed in a newspaper or on a billboard, directly mailed, a website or other electronic communication transmitted by means of the internet, any signage placed in public view, or delivered by hand to personal residences or otherwise distributed that:

- (I) Unambiguously refers to any candidate without expressly advocating for that candidate; and

- (II) Is broadcast, printed, mailed, delivered or distributed during the timeframe in which a candidate is seeking election or an issue is pending decision before a municipal election.

No provisions of the definition of electioneering communication shall be construed to infringe on any rights granted by the United States Constitution or Colorado Constitution.

Expenditure means any purchase, payment, distribution, loan, advance, deposit, or gift of money by any person and/or group for the purpose of expressly advocating the election or defeat of a candidate or supporting or opposing a ballot issue or ballot question. An expenditure is made when the actual spending occurs or when there is a contractual agreement requiring such spending and the amount is determined. Expenditures may include reasonable expenses for child or adult dependent care to allow for active campaigning.

Foreign corporation means:

- (I) A parent corporation or the subsidiary of a parent corporation formed under the laws of a foreign country that is functionally equivalent to a domestic corporation;
- (II) A parent corporation or the subsidiary of a parent corporation in which one or more foreign person and/or groups hold a combined ownership interest that exceeds 50 percent;
- (III) A parent corporation or the subsidiary of a parent corporation in which one or more foreign person and/or groups hold a majority of the positions on the corporation's board of directors; or
- (IV) A parent corporation or the subsidiary of a parent corporation whose United States-based operations, or whose decision-making with respect to political activities, falls under the direction or control of a foreign entity, including the government of a foreign country.

Frivolous means a claim or defense is lacking any rational argument based in law but does not include a legitimate attempt to establish a new theory of law or a good-faith effort to extend, modify, or reverse existing interpretations of law.

Group means any entity, other than a natural person, including but not limited to partnership, committee, association, corporation, labor organization, lobbyist, or other organization or group of persons.

Independent expenditure means an expenditure that is not controlled by or coordinated with any candidate or agent of such candidate. Expenditures that are controlled by or coordinated with a candidate or candidate's agent are deemed to be both contributions by the maker of the expenditure, and expenditures by the candidate's committee.

Independent expenditure committee means one or more persons and/or groups that make an independent expenditure in an aggregate amount \$500.00 or more, or that collect \$500.00 or more from one or more persons and/or groups for the purpose of making an independent expenditure.

Independent Hearing Officer means an individual with an extensive knowledge of the topic of this Code who is retained by the City to hear and decide alleged violations of this Code. To encourage

the expedition of hearings held pursuant to this Code, the City may retain more than a single hearing officer to create a list of hearing officers to draw from as needed or may contract with a law firm to provide an associated attorney to serve as a hearing officer when needed.

Issue committee means any person, other than a natural person, or any group of two or more persons, including natural persons:

- (I) That has a major purpose of supporting or opposing any ballot issue, or ballot question; and
- (II) That has accepted or made contributions or expenditures in excess of \$200.00 to support or oppose any ballot issue or ballot question.

The term "Issue committee" does not include political parties, political committees, small donor committees or candidate committees. An issue committee shall be considered open and active until affirmatively closed by such committee or by action of the appropriate authority.

Limited liability company includes any form of domestic entity as defined in Section 7-90-102(13), C.R.S., or foreign entity as defined in Section 7-90-102(23), C.R.S.; except that, as used in this Code, "limited liability company" shall not include a domestic corporation, a domestic cooperative, a domestic nonprofit association, a domestic nonprofit corporation, a foreign corporation, a foreign cooperative, a foreign nonprofit association, a foreign nonprofit corporation, as those terms are defined in Section 7-90-102, C.R.S., a nondomestic corporation as defined in Section 1-45-103(7), C.R.S. or a foreign corporation as defined in Section 1-45-103(10.5) C.R.S.

Media outlet means a publication or broadcast medium that transmits news, feature stories, entertainment, or other information to the public through various distribution channels, including, without limitation, newspapers; magazines; radio; the internet; and broadcast, cable, or satellite television.

Natural person means a human being.

Non-public information means confidential material in any form that is not available to the general public, including a non-public campaign plan, communications plan, campaign budget, specification of unmet and potentially unmet campaign needs, proposed or actual media buy, list or description of households or voters who will receive or have received materials under a mailing or other distribution program, polling or focus group results, or other proprietary material. "Non-public information," does not include communications dealing solely with candidate positions on legislative or policy issues or communications to or by an attorney, accountant, bookkeeper, or registered agent who provides services within the scope of their profession.

Obligating means, in connection with a named candidate, agreeing to spend \$500.00 more, for an independent expenditure or to give, pledge, loan, or purchase one or more goods, services, or other things of value that have a fair market value of \$500.00 or more, as an independent expenditure. "Obligating" shall not require that the total amount of \$500.00 or more be finally determined at the time of the agreement to spend moneys for an independent expenditure or to give, pledge, loan, or purchase anything of value.

Person means any natural person, partnership, committee, association, corporation, labor organization, political party, or other organization or group of persons.

Political committee means any person and/or group, other than a natural person, or any group of two or more persons, including natural persons that have accepted or made contributions or expenditures in excess of \$200.00 to support or oppose the nomination or election of one or more candidates. "Political committee" does not include political parties, issue committees or candidate committees.

Political organization means a political organization defined in Section 527(e)(1) of the federal "Internal Revenue Code of 1986", as amended, that is engaged in influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any state or local public office in the state and that is exempt, or intends to seek any exemption, from taxation pursuant to Section 527 of the Internal Revenue Code. "Political organization" shall not be construed to have the same meaning as "political organization" as defined in §1-1-104(24), C.R.S. for purposes of the "Uniform Election Code of 1992", Articles 1 to 13 of this Title.

Political party means any group of registered electors who, by petition or assembly, nominate candidates for the official general election ballot. "Political party" includes affiliated party organizations at the state, county and election district levels, and all such affiliates are considered to be a single entity for the purposes of this Code.

Small donor committee means any political committee that has accepted contributions only from natural persons who each contributed no more than \$50.00 in the aggregate per year. For purposes of this Code, dues transferred by a membership organization to a small donor committee sponsored by such organization shall be treated as pro-rate contributions from individual members. "Small donor committee" does not include any entity that qualifies as a political party, political committee, issue committee, or candidate committee.

Spending means funds expended influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any state or local public office in the state and includes, without limitation, any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything else of value by any political organization, a contract, promise, or agreement to expend funds made or entered into by any political organization, or any electioneering communication by any political organization.

Subsidiary means a business entity having more than half of its stock owned by another entity or person and/or group, or a business entity of which a majority interest is controlled by another person and/or group or entity.

Unexpended campaign contributions means the balance of funds on hand in any candidate committee at the end of an election cycle, less the amount of all unpaid monetary obligations incurred prior to the election in furtherance of such candidacy.

(Ord. O-2023-7 § 1, 2023; Ord. O-2013-22 § 1, 2013)

2.54.030 Candidates; Committees; Registration; Contribution Limits; Expenditures; Reporting.

A. *Candidates and Candidate Committees.*

- (1) *Affidavit of Candidacy.* Within ten days after an individual becomes a candidate and before circulating any petition, such individual shall certify, by affidavit filed with the City Clerk, that the candidate is familiar with the provisions of this Code. (See definition of candidate.)
- (2) *Candidate Committee Registration.* Except as otherwise provided in this Code, all candidate committees shall register with the City Clerk within ten days after accepting any contribution or making any expenditure. Registration shall include a statement listing:
 - (a) The committee's full name, spelling out any acronyms used therein;
 - (b) A natural person authorized to act as a registered agent or representative;
 - (c) A street address and telephone number for the principal place of operations;
 - (d) The purpose or nature of interest of the committee or party;
 - (e) The name of the financial institution where the committee has opened an account.
- (3) *Contribution Limits.* During an election cycle, a candidate committee may accept no more than \$400.00 from any natural person or political committee for candidates for City Council, and no more than \$800.00 from any natural person or political committee for candidates for Mayor. No candidate committee shall accept any contribution from any entity that is prohibited from contributing by this Code.
- (4) *Reports.*
 - (a) All candidate committees shall report to the City Clerk: their contributions received, including the name, address, and amount contributed of each contributor; expenditures made; and obligations entered into by the committee.
 - (b) In the case of contributions made to a candidate committee, the disclosure required by this section shall also include the occupation and employer of each person and/or group who has made contributions totaling \$100.00 or more to such committee.
- (5) *Reimbursement.* A candidate's candidate committee may reimburse the candidate for expenditures the candidate has made on behalf of the candidate committee. Any such expenditures may be reimbursed at any time. Notwithstanding any other provision of law, any expenditure reimbursed to the candidate by the candidate's candidate committee within the election cycle during which the expenditure is made shall be treated only as an expenditure and not as a contribution to and an expenditure by the candidate's candidate committee.

Notwithstanding the date on which any such expenditure is reimbursed, the expenditure shall be reported at the time it is made in accordance with the requirements of this section.

- (6) *Unexpended contributions—Candidate committees.* Unexpended campaign contributions to a candidate committee may be:
- (a) Contributed to a candidate committee established by the same candidate for a different public office, and only after the candidate committee for the original position that wishes to make such a contribution is affirmatively closed by the candidate no later than ten days after the date such a contribution is made;
 - (b) Donated to a charitable organization recognized by the internal revenue service;
 - (c) Returned to the contributors or retained by the committee for use by the candidate in a subsequent campaign;
 - (d) In no event shall contributions to a candidate committee be used for personal purposes not reasonably related to supporting the election of the candidate nor shall the contributions be donated to another candidate or candidate committee. However, this provision shall not prohibit a candidate committee from donating contributions to a candidate committee for the same candidate for a different office;
 - (e) A candidate committee for a former officeholder or a person not elected to office shall expend all of the unexpended campaign contributions retained by such candidate committee, for the purposes specified in this subsection (6), no later than nine years from the date such officeholder's term expired or from the date of the election at which such person was a candidate for office, whichever is later;
 - (f) In addition to any use described in this subsection (6), a person elected to a public office may use unexpended campaign contributions held by the person's candidate committee for any of the following purposes:
 - (I) Voter registration;
 - (II) Political issue education, which includes obtaining information from or providing information to the electorate;
 - (III) Postsecondary educational scholarships;
 - (IV) To defray reasonable and necessary expenses related to mailings and similar communications to constituents;
 - (V) 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, and telephone expenses.
 - (g) Unexpended campaign contributions held by a candidate committee cannot be donated to another person's candidate committee for any office or any issue committee; and

- (h) Notwithstanding any other provision of law, any unexpended campaign contributions retained by a candidate committee for use in a subsequent election cycle shall be counted and reported as contributions.
- (7) *Recall.* Any candidate or candidate committee supporting any candidate, including an incumbent, in a recall election, shall file reports of contributions and expenditures with the City Clerk 60, 30 and seven days before the recall election and 30 days after the recall election.
- (8) *Disclaimer.*
 - (a) A candidate committee making a communication that supports or opposes any candidate and that is broadcast by television or radio, printed in a newspaper or on a billboard, or printed yard sign, directly mailed, made available by means of the internet, or delivered by hand to personal residences, or otherwise distributed shall state, in the communication, that it is paid for by the candidate committee making the communication.
 - (b) The disclaimer required by subsection (a) of this section shall be printed on the communication clearly and legibly in a conspicuous manner.
 - (c) If the communication is broadcast on radio, the disclaimer shall be spoken at the beginning or end of the communication.
 - (d) (I) If the communication is broadcast on television, the disclaimer shall be written or spoken at the beginning or end of the communication. If the disclaimer is written, it shall appear for at least four seconds of any communication broadcast on television.
 (II) The written disclaimer required by subparagraph (I) of this paragraph (d) shall appear in the communication in a conspicuous manner.
 - (e) As to communications transmitted by means of the internet, the disclaimer shall be clearly visible and placed on or adjacent to the communication.

B. *Issue Committees.*

- (1) *Registration.* Subject to the provisions of this section, each issue committee shall register with the City Clerk within ten calendar days of accepting or making contributions or expenditures in excess of \$200.00 to support or oppose any ballot issue or ballot question. If required to register under the requirements of this subsection, the registration of the issue committee shall include a statement containing the items listed below:
 - (a) The committee's full name, spelling out any acronyms used therein;
 - (b) A natural person authorized to act as a registered agent or representative;
 - (c) A street address and telephone number for the principal place of operations;
 - (d) All affiliated committees;

- (e) The purpose or nature of interest of the committee or party;
- (f) The name of the financial institution where the committee has opened an account.

(2) *Ballot Issue or Ballot Question Determined.*

- (a) Notwithstanding any other provision of law, and subject to the provisions of this section, a matter shall be considered to be a ballot issue or ballot question for the purpose of determining whether an issue committee has been formally established, thereby necessitating compliance with any disclosure, disclaimer, and reporting requirements of this Code:
 - (I) For a citizen-initiated petition, a title for the matter is set upon determination that the requisite number of signatures have been obtained and the petition has been determined to be sufficient;
 - (II) For a measure referred to voters by the City Council rather than by initiative petition, the Council has adopted an ordinance to refer such matter to the voters of Lakewood.
- (b) Notwithstanding the provisions of this subsection, where a matter concerns a municipal annexation brought pursuant to Article 12 of Title 31, C.R.S., the matter shall not be considered to be a ballot issue or ballot question for the purpose of determining whether an issue committee has been formally established, thereby necessitating compliance with any disclosure and reporting requirements of this Code, unless and until the first notice of the annexation election has been published in accordance with the requirements of Section 31-12-112(6), C.R.S.

(3) *Recall.* Any issue committee whose purpose is the recall of any elected official shall register with the City Clerk within ten calendar days of accepting or making contributions or expenditures in excess of \$200.00 to support or oppose the recall. Reports of contributions and expenditures shall be filed with the City Clerk 60 days, 30 days and seven days before the recall election and 30 days following the recall election.

(4) *Disclaimer.*

- (a) An issue committee making an expenditure of \$200.00 or more on a communication that supports or opposes a ballot issue or ballot question and that is broadcast by television or radio, printed in a newspaper or on a billboard, directly mailed, transmitted by means of the internet, or delivered by hand to personal residences, or posted by way of a yard sign, or otherwise distributed shall disclose, in the communication produced by the expenditure, the name of the issue committee making the expenditure.
- (b) The disclaimer required by subsection (a) of this section shall be printed on the communication clearly and legibly in a conspicuous manner.

- (c) If the communication is broadcast on radio, the disclaimer shall be spoken at the beginning or end of the communication.
 - (d) (I) If the communication is broadcast on television, the disclaimer shall be written or spoken at the beginning or end of the communication. If the disclaimer is written, it shall appear for at least four seconds of any communication broadcast on television.
 - (II) The written disclaimer required by subparagraph (I) of this paragraph (d) shall appear in the communication in a conspicuous manner.
 - (III) In the case of a limited liability company, the disclosure required by this section shall include, in addition to any other information required to be disclosed, each contribution from the limited liability company regardless of the dollar amount of the contribution.
 - (e) If the communication is transmitted by means of the internet, the disclaimer shall appear on or adjacent to the communication.
- (5) *Unexpended Contributions.* Unexpended contributions to an issue committee may be donated to any charitable organization recognized by the Internal Revenue Service or returned to the contributor.
- C. *Small Donor Committees.*
- (1) *Registration.* Except as otherwise provided in this section, all small donor committees shall register with the City Clerk within ten days after accepting any contribution or making any expenditure. Registration shall include a statement listing:
 - (a) The organization's full name, spelling out any acronyms used therein;
 - (b) A natural person authorized to act as a registered agent or representative;
 - (c) A street address and telephone number for the principal place of operations;
 - (d) All affiliated candidates and committees;
 - (e) The purpose or nature of interest of the committee or party.
 - (2) *Contribution limits.* During an election cycle, only natural persons may contribute to a small donor committee in an amount not more than \$50.00 to such small donor committee.
 - (3) *Contributions to candidate committees.* During an election cycle, small donor committees may contribute up to \$1,600.00 to candidates for mayor and up to \$800.00 to candidates for city council.
- D. *All Committees—Disclosures; Prohibited Contributions.*
- (1) *Disclosures.*
 - (a) All candidate committees shall report to the City Clerk; their contributions received, including the name; address; and amount contributed of each contributor;

expenditures made; and obligations entered into by the committee. Beginning January 1, 2025, the cumulative total of all contributions from each individual contributor shall also be reported.

- (b) *Contributions over \$100.00.* In the case of the aggregate contributions made to a political committee or issue committee during an election cycle, the disclosure required by this section shall also include the occupation and employer of each person and/or group who has made a contribution of \$100.00 or more to such committee.

(2) *Prohibited Contributions.*

- (a) During an election cycle, no committee may accept any contribution from:
 - (I) A political party;
 - (II) An entity formed under and subject to the laws of a foreign country;
 - (III) A natural person who is not a citizen of the United States;
 - (IV) A foreign government; or
 - (V) Any person and/or group otherwise prohibited by law from making the contribution.
- (b) No committee may accept any contribution in currency or coin of more than \$100.00 from any contributor or fail to report each contributor of currency or coin, regardless of the amount of the contribution made in currency or coin.
- (c) No candidate committee shall accept any contribution from any corporation or any labor organization.
- (d) No candidate may accept any contribution without knowing the identity of the contributor. No candidate may solicit anonymous contributions including any solicitation commonly referred to as “pass the hat” or “fishbowl” solicitation. Website contributions may be accepted if the contributor is properly identified.

E. *Political Organizations.*

- (1) Any political organization shall report to the City Clerk in accordance with the requirements of this Code:
 - (a) Any contributions it receives, including the name and address of each person and/or group who has contributed more than \$20.00 or more to the political organization in the reporting period, and the occupation and employer of each natural person who has made a contribution of \$100.00 or more to the political organization; and
 - (b) Any spending by the political organization in any one (1) reporting period.

- (2) During an election cycle, no political organization shall accept a contribution in currency or coin of more than \$100.00 from any contributor or fail to report the receipt of contributors of currency or coin.
- (3) Nothing in this section shall be construed to:
 - (a) Require any political organization to make any additional disclosure pursuant to this section to the extent the political organization is already providing disclosure as a committee in a manner that satisfies the requirements of this Code; or
 - (b) Authorize the City Clerk to require disclosure of the name of any natural person that is a member of an entity unless the natural person has made a contribution to a political organization in the amount of more than \$20.00 in a reporting period.

F. *Independent Expenditures/Independent Expenditure Committees.*

(1) *Registration.*

- (a) Any person and/or group that accepts a donation as an Independent Expenditure Committee that is given for the purpose of making an independent expenditure of \$500.00 or more or that makes an independent expenditure of \$500.00 or more shall register with the City Clerk within two business days of the date on which an aggregate amount of donations accepted or expenditures made reaches or exceeds \$500.00.
- (b) The registration required by paragraph (a) of this subsection (1) shall include each of the items listed in Section 2.54.030(A)(2) and:
 - (I) Any individual acting as an Independent Expenditure Committee shall provide that person's full name, spelling out any acronyms used therein; and
 - (II) The aggregate ownership interest in the Independent Expenditure Committee held by foreign nationals or foreign corporations calculated as of the time the person and/or group registers as an Independent Expenditure Committee with the City Clerk under paragraph (a) of this subsection (1).
- (c) If the person and/or group identified in subparagraph (I) of paragraph (b) of this subsection F (1) is a corporation, a subsidiary may register on behalf of its parent corporation or for other subsidiaries of the parent corporation, and the parent corporation may register on behalf of all of its subsidiaries. In each such case, the registered agent of the person and/or group registering shall serve as the registered agent for all such affiliated corporations. Registration of a subsidiary shall include the name of its parent corporation as well as any names under which the subsidiary does business.

- (d) If the person and/or group identified in subparagraph (I) of paragraph (b) of this subsection F (1) is a labor organization, a local labor organization may register on behalf of any affiliated local, national, or international labor organization that will be making independent expenditures, and a national or international labor organization may register on behalf of any affiliated local labor organization that will be making independent expenditures. In each such case, the registered agent of the labor organization that is registering shall serve as the registered agent for each affiliated local, national, or international labor organization.

(2) *Reporting.*

- (a) In addition to any other applicable disclosure requirements specified in this Code, any person and/or group making an independent expenditure in an aggregate amount of \$500.00 or more in any one calendar year shall report the following to the City Clerk:
 - (I) The person and/or group's full name, or, if the person and/or group is a subsidiary of a parent corporation, the full name of the parent corporation, spelling out any acronyms used therein;
 - (II) All names under which the person and/or group does business in the state if such names are different from the name identified pursuant to subparagraph (I) of this paragraph (a);
 - (III) The address of the home office of the person and/or group, or, if the person and/or group is a subsidiary of a parent corporation, the home office of the parent corporation; and
 - (IV) The name and street address in the state of its registered agent.
- (b)
 - (I) Any person and/or group who expends an aggregate amount of \$500.00 or more per calendar year for the purpose of making an independent expenditure shall report to the City Clerk, in accordance with the requirements of this section, the name and address of any person and/or group that, for the purpose of making an independent expenditure, donates more than \$250.00 per year to the person and/or group expending \$500.00 or more on an independent expenditure.
 - (II) If the person and/or group making the donation of \$250.00 or more is a natural person, the disclosure required by subparagraph (I) of this paragraph (b) shall also include the donor's occupation and employer.
 - (III) If the person and/or group making the donation of \$250.00 or more is not a natural person, the disclosure required by this paragraph (b) shall also include:

- (A) The donor's full name, or, if the donor is a subsidiary of a parent corporation, the full name of the parent corporation, spelling out any acronyms used therein;
 - (B) All names under which the donor does business in the state if such names are different from the name identified pursuant to subparagraph (I) of this paragraph (b);
 - (C) The address of the home office of the donor, or, if the donor is a subsidiary of a parent corporation, the home office of the parent corporation; and
 - (D) The name and street address in the state of the donor's registered agent.
 - (c) The information required to be disclosed pursuant to paragraph (a) of this subsection (4) shall be reported in accordance with the schedule specified in this Code; except that any person and/or group making an independent expenditure of \$500.00 or more within 30 days before a municipal election shall provide such report within 48 hours after obligating moneys for the independent expenditure.
- (3) *Disclaimer.*
- (a) In addition to any other applicable requirements provided by law, and subject to the provisions of this section, any communication that is broadcast, printed, mailed, delivered, posted, or otherwise circulated that constitutes an independent expenditure for which the person and/or group making the independent expenditure expends of \$500.00 or more on the communication shall include in the communication a statement that:
 - (I) A statement that the communication has been "paid for by (full name of the person and/or group paying for the communication)"
 - (II) A statement that that the communication is "Not authorized by any candidate"; and
 - (III) The name of a natural person who is the registered agent if the person and/or group identified in subparagraph (I) of this paragraph (a) is not a natural person.
 - (b) In the case of a broadcast communication, the statement required by this section shall satisfy all applicable requirements promulgated by the Federal Communications Commission for size, duration, and placement.
 - (c) In the case of a non-broadcast communication, the City Clerk shall, by rule communicated and published by the City Clerk, establish size and placement requirements for the disclaimer.

- (d) As to communications transmitted by means of the internet, the disclaimer shall be clearly visible and placed on or adjacent to the communication.
- (4) *Disclosure.* Any person and/or group, including a corporation that qualifies under Section 501(c)(4) of the Internal Revenue Code, that expends an aggregate amount of \$500.00 or more on an independent expenditure in any one calendar year shall deliver written notice to the City Clerk that shall list with specificity the name of the candidate whom the independent expenditure is intended to support or oppose. Where the independent expenditure is made within 30 days before an election, the notice required by subsection (3) shall be delivered within 48 hours after the person and/or group obligates moneys for the independent expenditure.
- (5) *Accounting.* Any person and/or group that accepts any donation that is given for the purpose of making an independent expenditure or expends any moneys on an independent expenditure in an aggregate amount more than \$20.00 in any one calendar year shall establish a separate account in a financial institution, and the title of the account shall indicate that it is used for such purposes. All such donations accepted by such person and/or group for the making of any such independent expenditures shall only be deposited into the account, and any moneys expended for the making of such independent expenditure shall only be withdrawn from the account. As long as the person and/or group uses a separate account for the purposes of this section, in any enforcement proceeding relating to the use of the person and/or group's account, no discovery may be made of information relating to the identity of the person and/or group's members and general donors and any discovery is limited to the sources, amounts, and uses of donations deposited into and expenditures withdrawn from the account.
- (6) *Donation.* Any person and/or group that expends moneys on an independent expenditure of \$500.00 or more, regardless of the medium of the communication produced by the expenditure, shall disclose to the City Clerk, in accordance with the schedule specified in in this Code, any donation given in that reporting period for the purpose of making an independent expenditure.
- (7) *Identification of CEO and Lobbyists.* Any person and/or group that donates \$1,000.00 or more to any person and/or group during any one calendar year for the purpose of making an independent expenditure shall, within 48 hours of making the donation, report to the City Clerk the names and addresses of:
- (a) The person and/or group's chief executive officer or, for entities that have do not have an official with that title, the person performing the largest number of duties of a chief executive officer;
 - (b) Any "professional lobbyist," as defined by C.R.S. 24-6-301(6), that has been paid by the person and/or group to communicate with one or more "covered officials," as defined by C.R.S.24-6-301(1.7); and
 - (c) Any person and/or group paid to communicate with the Mayor or one or more City Council members concerning the passage, defeat, or amendment of City of Lakewood ordinances, resolutions, or rules.

(8) *Source of Donation.* Any earmarked donation given for the purpose of making an independent expenditure of \$500.00 or more shall be disclosed as a donation from both the original source of the donation and the person and/or group transferring the donation.

(9) *Provisional Designation of FMV.* On reports it files with the City Clerk, an independent expenditure committee that obligates \$500.00 or more for an independent expenditure shall disclose a good faith estimate of the fair market value of the expenditure if the committee does not know the actual amount of the expenditure as of the date that a report is required to be filed with the City Clerk.

(10) *Labor Organizations.* Notwithstanding any other provision of this section, any requirement contained in this section that is applicable to a corporation shall also be applicable to a labor organization.

G. *Limited Liability Companies.*

(1) *Prohibition on Contributions.*

(a) No limited liability company shall make any contribution to a candidate committee if one or more of the individual members of the limited liability company is:

- (I) A natural person who is not a citizen of the United States;
- (II) An entity formed under and subject to the laws of a foreign country;
- (III) A foreign government; or
- (IV) Otherwise prohibited by law from making the contribution.

(b) No limited liability company shall make any contribution to a political committee if one or more of the individual members of the limited liability company is:

- (I) A natural person who is not a citizen of the United States;
- (II) An entity formed under and subject to the laws of a foreign country;
- (III) A foreign government; or
- (IV) Otherwise prohibited by law from making the contribution.

(c) Notwithstanding any other provision of this subsection (G), no limited liability company shall make any contribution to a candidate committee if the limited liability company has elected to be treated as a corporation by the internal revenue service pursuant to 26 CFR 301.7701-3 or any successor provision or the shares of the limited liability company are publicly traded. A contribution by a limited liability company with a single natural person member that does not elect to be treated as a corporation by the internal revenue service pursuant to 26 CFR 301.7701-3 shall be attributed only to the single natural person member.

(2) *Disclosure.*

- (a) The disclosure required by this section shall include, in addition to any other information required to be disclosed, each contribution from the limited liability company regardless of the dollar amount of the contribution.
- (b) Any limited liability company that is authorized to make a contribution and which does make a contribution of \$100.00 or more to a candidate committee shall, in writing, affirm to the candidate committee to which it has made a contribution that it is authorized to make a contribution, which affirmation shall also state the names and addresses of all of the individual members of the limited liability company. No candidate committee shall accept a contribution from a limited liability company unless the written affirmation satisfying the requirements of this paragraph (b) is provided before the contribution is deposited by the candidate committee. The candidate committee receiving the contribution shall retain the written affirmation for not less than one year following the date of the end of the election cycle during which the contribution is received. Any limited liability company that makes a contribution of less than \$100.00 shall not be required to identify the individual members of the limited liability company.
- (c) Any limited liability company that contributes to a candidate committee shall attribute its contribution to its members by their percentage interests. No person and/or group who is a member of a limited liability company may exceed the contribution limits imposed by this Code. Contributions to candidate committees, exploratory committees, or political committees, whether contributed from a person and/or group's own funds or by the funds attributed to that person and/or group from a limited liability company, shall be aggregated for purposes of determining that person and/or group's compliance with the applicable contribution limits.

H. *Political committees.*

(1) *Registration.* Except as otherwise provided in this section, all political committees shall register with the City Clerk within ten days after accepting any contribution or making any expenditure. Registration shall include a statement listing:

- (a) The organization's full name, spelling out any acronyms used therein;
- (b) A natural person authorized to act as a registered agent or representative;
- (c) A street address and telephone number for the principal place of operations;
- (d) All affiliated candidates and committees;
- (e) The purpose or nature of interest of the committee or party.

(2) *Contribution limits.* During an election cycle, a political committee may not accept contributions in excess of the limits imposed by Article XXVIII of the Constitution of Colorado under Section 3, Contribution Limits, subsection (1)(b), and as adjusted pursuant to subsection (13) of that same section.

(Ord. O-2023-7 § 1, 2023; Ord. O-2013-22 § 1, 2013)

2.54.040 Reporting Requirements—Where and When Filed.

(A) (1) Except as otherwise provided in this Code, all reports that are required to be submitted shall be filed with the City Clerk pursuant to the following schedule:

- (a) In the year of a regular municipal election, on April 15th, July 15th, September 15th, October 15th, October 25th, the Wednesday immediately preceding Election Day, and 30 days after the regular municipal election.
- (b) In addition, such reports must be filed annually, in years other than regular municipal election years, on the first day of the month in which the anniversary of the regular municipal election occurs.
- (c) For incumbent members of city council not up for re-election in a regular municipal election year, such reports may be filed annually on the first day of the month in which the anniversary of the regular municipal election occurs.
- (d) If the reporting day falls on a weekend or legal holiday, the report shall be filed by the close of the next business day.
- (e) The reports required by this section shall also include:
 - (I) the balance of funds at the beginning of the reporting period;
 - (II) the total of contributions received during the reporting period;
 - (III) the total of expenditures made during the reporting period;
 - (IV) the total of all loans, loan repayments and loan forgiveness in the reporting period);
 - (V) the name and address of the financial institution used by the committee; and
 - (VI) the total cumulative amount from all reports for (II), (III), and (IV).
- (f) The reports required by this section shall be filed regardless of whether the candidate committee received any contributions or made any expenditures during the reporting period. A candidate committee for a former officeholder or a person and/or group not elected to office that has no change in the balance of funds maintained by such committee, receives no contributions, makes no expenditures, and enters into no obligations during a reporting period shall nevertheless be required to file a report under this section for such period.
- (g) All reports shall be filed with the City Clerk.
- (h) The reporting period for all reports required to be filed with the City Clerk shall close three calendar days prior to the mandated date of filing.

- (i) After a proposed ballot question or proposed ballot issue becomes an "issue" under Section 2.54.030(B)(2)(a), issue committees shall file reports on the 90th, 60th, 30th, and 7th days before such election, as well as 30 days after such election.
 - (j) Where a special election has been scheduled, reports by committees or person and/or groups who contribute, expend, or spend moneys that are reportable must file their reports on the 60th, 30th, and 7th day before such election, as well as 30 days after such election.
- (2) Reserved.
- (3) All committees involved in supporting or opposing a position in a recall election, including candidate, issue and political committees, or advocating the recall of any incumbent, shall file reports of contributions and expenditures with the City Clerk 90, 60, 30, and seven days before the recall election and 30 days after the recall election.
- (4) For the purpose of meeting the filing and reporting requirements of this Code, 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, as well as any independent expenditure committees that expressly advocate and any person and/or groups making electioneering communications that unambiguously refer to such candidates, shall file with the City Clerk.
- (5)
 - (a) The City Clerk shall establish, operate, and maintain a system that enables electronic filing using the internet of the reports required by this Code to be filed with the City Clerk's Office. The City Clerk may require any filing under this section to be made by electronic means as determined by the City Clerk. The rules for use of the electronic filing system shall be promulgated by the City Clerk. The City Clerk shall make all filings required by this section publicly available on the City Clerk's website no later than the close of business on the third business day after the filing was received.
 - (b) Any person and/or group required to file with the City Clerk's Office shall use the electronic filing system described in paragraph (a) of this subsection (5) in order to meet the filing requirements of this Code, if so required by the Clerk in accordance with paragraph (a) of this subsection (5), except insofar as an alternate method of filing may be permitted by the City Clerk. Where a person and/or group uses such electronic filing system to meet the filing requirements of this Code, the City Clerk shall acknowledge by electronic means the receipt of such filing.
- (6) Subsection (1) of this section shall not be construed to require the City Clerk to review electronically filed reports.

(Ord. O-2023-7 § 1, 2023; Ord. O-2019-24 § 4, 2019; Ord. O-2013-22 § 1, 2013)

2.54.050 Duties of the City Clerk—Recordkeeping—Enforcement—Sanctions.

A. *Forms—Rules—Recordkeeping.* The City Clerk shall:

- (1) Prepare forms and instructions to assist candidates and the public in complying with the reporting requirements of this Code and make such forms and instructions available to the public free of charge, and provide training sufficient to acquaint candidates and the public with all provisions of this Code;
- (2) Promulgate such rules as may be necessary to enforce and administer any provision of this Code;
- (3) Maintain a filing and indexing system consistent with the purposes of this Code;
- (4) Make the reports, complaints, and statements filed with the City Clerk's Office available immediately for public inspection and copying. The City Clerk may charge a reasonable fee for providing copies of reports. The City Clerk shall make all reports, complaints, and statements required by this section publicly available on the City Clerk's website no later than the close of business on the day after the filing was received. No information copied from such reports shall be sold or used by any person and/or group for the purpose of soliciting contributions or for any commercial purpose;
- (5) Keep a copy of any report or statement required to be filed by this Code for the period set forth in the city's records retention policy; and
- (6) Notify any person and/or group under their jurisdiction who has failed to fully comply with the provisions of this Code and notify any person and/or group if a complaint has been filed with the City Clerk alleging a violation of this Code. The Clerk shall notify, within three business days, of the person's or group's failure to complete the mandatory filing documents.

B. *Enforcement.*

- (1) Any person and/or group who believes that a violation of this Code has occurred may file a written complaint with the City Clerk no later than 120 days after the date of filing of the report containing the alleged violation. The City Clerk shall, within 24 hours, notify the person or group who/which is the subject of the allegation that a complaint alleging a violation of this section has been filed. The City Clerk shall also determine within three business days of the filing of the complaint whether or not the complaint is valid. A complaint is valid if it:
 - (a) Was timely filed under this code;
 - (b) Specifically identifies one or more violations of this code; and
 - (c) Alleges/contains sufficient facts to support a factual and legal basis for the finding of violations of law as alleged.

- (2) Within the same three business day period the City Clerk shall notify the parties of that determination and post a copy of the City Clerk's decision on the City Clerk's website. The City Clerk's decision shall be based on the complaint and any additional inquiry made by the City Clerk of identified interested parties, and whether the complaint meets the above stated qualifications. The City Clerk shall dismiss a complaint that doesn't meet the stated requirements of this section and shall notify the parties. Where a complaint is deemed to meet the requirements of this section the City Clerk shall so notify the parties. Additionally, the following provisions shall be applied to any complaint deemed to meet the requirements of this section.
- (a) When a person and/or group can cure its non-compliance due to an inadequate report or a failure to file a required report or item thereon, the City Clerk shall accept an amended report or reports within three business days of notifying the parties that the complaint is valid.
 - (b) Unless any non-compliance is dismissed, is cured as provided herein, or results in penalties imposed by the City Clerk as provided herein, the City Clerk shall refer a complaint to an independent hearing officer within three days of the City Clerk's determination. Within five (5) business days of determining that the complaint is valid the City Clerk shall announce a date for a hearing. The Clerk shall prioritize holding such hearing within thirty (30) days from the date that non-compliance is found, but such hearing date may be later due to the scheduling of the hearing officer, witnesses, and other interested parties. Any party shall be granted an extension of up to 15 days upon motion, or longer upon a showing of good cause. The City Attorney shall engage an attorney not employed by the City who is experienced in campaign finance law to represent the City in prosecuting any valid complaint referred to a hearing officer and that attorney shall present the case to the hearing officer and be allowed to present evidence, including witnesses, in support of the claims. The person against whom the complaint was filed shall be allowed to rebut the claims in the complaint and present evidence, including witnesses, in support thereof.
 - (c) The hearing officer shall render a decision within fifteen (15) days after the hearing. If the hearing officer determines that a violation has occurred, the decision shall include any appropriate order, sanction or relief authorized by this Code. The decision of the hearing officer shall be final, subject to review by the district court. The hearing officer is not a necessary party to the review. When final, the decision shall be enforced by the City Clerk. The failure of a hearing officer to render a decision within 15 days will result in the City Attorney's Office contacting the hearing officer and requesting a decision within five (5) days. Failure to render a decision within thirty (30) days following the conclusion of a hearing shall make such hearing officer ineligible to serve as a hearing officer for the City for two years.

- (d) The hearing officer shall impose a fine in accordance with this Code. Where the hearing officer is given discretion to determine the appropriate fine amount such determination shall be made based upon the facts, evidence and any documents upon which the hearing officer relied in making the determination of the matter. Additionally, the hearing officer shall invite both parties to submit written arguments in support of the imposition of a specific fine amount.
- (3) Both the City Clerk, and a hearing officer are authorized to issue subpoenas.
- (4) The hearing officer shall not accept as a defense to any alleged violation that the violation was unintentional or that the alleged violator was unaware of the requirements of this code.
- C. *Sanctions.*
- (1) Any person and/or group who violates any provision of this Code by making prohibited contributions to any committee shall be subject to a civil penalty of two times the amount contributed, received, or spent in violation of the applicable provision. Any candidate committee that accepts prohibited contributions shall be subject to a civil penalty in the amount of two times the amount contributed. Candidates shall be personally liable for penalties imposed upon the candidate's committee.
- (2) (a) Any committee that fails to file required reports or any required disclosure on such reports shall be subject to penalties imposed by this Code, ~~of up to:~~
 - \$10.00 per day for the first through the fifth day the information is late;
 - \$25.00 per day from the sixth day to the tenth day the information is late;
 - \$50.00 per day for eleventh through the date the required report is filed.
- (b) The City Clerk must provide notice, via email at an email address provided by the candidate or committee, of any failure to file required reports, or file complete reports, after the due date.
- (c) All fines imposed for violation of this Code shall be published on the City Clerk's website from the date of imposition until thirty (30) days following the date upon which the fine was paid.
- (2.1) (a) As to all person and/or groups and committees other than candidate committees, a hearing officer shall impose the following penalties, in conformance with L.M.C. 2.54.050(B)(2)(d) regarding hearing officer authority to impose fines, if it is established that a disclaimer required to be used pursuant to this Code did not materially comply with the requirements of this Code:
 - Up to \$1,000.00 for communications received more than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

Up to \$2,500.00 for communications received more than 30 but less than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

Up to \$5,000.00 for communications received up to 30 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication.

- (b) The following penalties shall be imposed on candidate committees if it is established that a disclaimer required to be used pursuant to this Code was not included on the communication distributed or did not materially comply with the requirements of this Code:

\$100.00 for communications received more than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

\$250.00 for communications received more than 30 but less than 75 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication;

\$500.00 for communications received up to 30 days prior to the next regular municipal election by natural persons who are qualified to vote for the office(s) referred to in the communication.

- (2.2) Reserved

- (2.3) For all other violations of this code where a penalty is not specified, the penalty shall be \$250.00 per violation.

- (3) Upon imposition of a penalty pursuant to this subsection, the City Clerk shall send the person and/or group upon whom the penalty is being imposed proper notification by certified mail of the imposition of the penalty. If an electronic mail address is on file with the City Clerk, the City Clerk shall also provide such notification by electronic mail.

- (4) Any person and/or group required to file a report with the City Clerk or required to include a disclaimer on a candidate communication regulated by this Code and upon whom a penalty has been imposed pursuant to this section may appeal such penalty by filing a written appeal with the City Clerk no later than 30 days after the date on which notification of the imposition of the penalty was mailed to such person and/or group's last known address. Except as provided herein, the City Clerk shall refer the appeal to the hearing officer. Any hearing conducted by a hearing officer shall be conducted in accordance with any standardized procedures promulgated by the City Clerk pursuant to this Code. The hearing officer shall set aside or reduce the penalty upon a showing of good cause, and the person and/or group filing the appeal shall bear the burden of proof. The decision of the hearing officer shall be final and subject to review by the district court. If the hearing officer finds that the filing of an appeal brought pursuant to this section was frivolous, the

hearing officer shall order the person and/or group filing the appeal to pay reasonable attorney fees and costs of the City Clerk in connection with such proceeding.

- (5) In connection with any complaint brought to enforce any requirement of this Code, including a complaint initiated by the City Clerk, the hearing officer shall order disclosure of the source and amount of any undisclosed donations, spending, contributions, or expenditures.
- (6) In any action brought to enforce any provision of this Code, the membership lists of a labor organization or, in the case of a publicly held corporation, a list of the shareholders of the corporation, shall not be disclosed by means of discovery or by any other manner.
- (7) The City Clerk may reject any report if it is incomplete. The applicant shall have ten days from the date the City Clerk provides notice of the deficiency to amend the report to cure any such deficiency.
- (8) Any unpaid debt owed to the City resulting from a penalty imposed pursuant to this Chapter 2.54, shall be collected by the City of Lakewood through such remedies as the City of Lakewood may initiate. If the City of Lakewood pursues such remedies, it shall be entitled to recover its costs incurred.

(Ord. O-2023-7 § 1, 2023; Ord. O-2013-22 § 1, 2013)

2.54.060 City Limitations on Contributions.

- A. (1) No agency, department, board, division, bureau, commission, or council of the City of Lakewood shall make any contribution in campaigns involving the nomination, retention, or election of any person and/or group to any public office, nor shall any such entity make any donation to any other person and/or group for the purpose of making an independent expenditure, nor shall any such entity expend any moneys from any source, or make any contributions, to urge electors to vote in favor of or against any:
 - (a) Statewide ballot issue that has been submitted for the purpose of having a title designated and fixed pursuant to Section 1-40-106(1), C.R.S. or that has had a title designated and fixed pursuant to that section;
 - (b) Local ballot issue that has been submitted for the purpose of having a title fixed pursuant to Section 31-11-111, C.R.S. or that has had a title fixed pursuant to that section;
 - (c) Referred measure, as defined in Section 1-1-104(34.5), C.R.S.;
 - (d) Measure for the recall of any officer that has been certified by the appropriate election official for submission to the electors for their approval or rejection.
- (2) Nothing in this section shall be construed as prohibiting:

- (a) A member or employee of any such agency, department, board, division, bureau, commission, or council of the City of Lakewood from responding to questions about any such issue described in subparagraph (I) of this paragraph (a) if the member, employee, or public entity has not solicited the question.
- (b)
 - (I) An agency, department, board, division, bureau, commission, or council of the City of Lakewood from expending public moneys or making contributions to dispense a factual summary, which shall include arguments both for and against the proposal, on any issue of official concern before the electorate in the jurisdiction. Such summary shall not contain a conclusion or opinion in favor of or against any particular issue. As used herein, an issue of official concern shall be limited to issues that will appear on an election ballot in the jurisdiction.
 - (II) An elected official from expressing a personal opinion on any issue.
 - (III) An agency, department, board, division, bureau, commission, or council of the City of Lakewood:
 - (A) Passing a resolution or taking a position of advocacy on any issue described in subparagraph (I) of paragraph (a) of this subsection (1);
 - (B) Reporting the passage of or distributing such resolution through established, customary means, other than paid advertising, by which information about other proceedings of such agency, department, board, division, bureau, or council of the City of Lakewood is regularly provided to the public; or
 - (C) A member or an employee of an agency, department, board, division, bureau, commission, or council of the City of Lakewood from expending personal funds, making contributions, or using personal time to urge electors to vote in favor of or against any issue described in subparagraph (I) of paragraph (a) of this subsection (1).
- B. The provisions of subsection (1) of this section shall not apply to:
 - (1) An official residence furnished or paid for by the City of Lakewood;
 - (2) Security officers who are required to accompany a candidate or the candidate's family;
 - (3) Publicly owned motor vehicles provided for the use of the chief executive of the City of Lakewood;
 - (4) Publicly owned aircraft provided for the use of the chief executive of the City of Lakewood or the executive's family for security purposes; except that, if such use is, in whole or in

part, for campaign purposes, the expenses relating to the campaign shall be reported and reimbursed pursuant to subsection (3) of this section.

- C. A member or employee of any such agency, department, board, division, bureau, commission, or council of the City of Lakewood who has policy-making responsibilities may not expend public moneys expressing an opinion on any such issue described in subparagraph (I) of this paragraph.
- D. If any candidate who is also an incumbent inadvertently or unavoidably makes any expenditure which involves campaign expenses and official expenses, such expenditures shall be deemed a campaign expense only, unless the candidate, not more than ten working days after such expenditure, files with the City Clerk such information as the City Clerk may, by rule communicated and published by the City Clerk, require in order to differentiate between campaign expenses and official expenses. Such information shall be set forth on a form provided by the City Clerk. In the event that public moneys have been expended for campaign expenses and for official expenses, the candidate shall reimburse the City of Lakewood for the amount of money spent on campaign expenses.
- E. Any violation of this section shall be subject to any appropriate order or relief, including an order directing the person and/or group making a contribution or expenditure in violation of this section to reimburse the fund of the City of Lakewood from which such moneys were diverted for the amount of the contribution or expenditure, injunctive relief, or a restraining order to enjoin the continuance of the violation.
- F. Failure to comply with any provision of this Code shall have no effect on the validity of any election.

(Ord. O-2023-7 § 1, 2023; Ord. O-2019-24 § 4, 2019; Ord. O-2013-22 § 1, 2013)

2.54.070 Electioneering Communications.

- (1) Any person and/or group, including a corporation that qualifies under section 501(c)(4) of the Internal Revenue Code, that expends \$500.00 or more per calendar year on electioneering communications shall report to the City Clerk, in accordance with the disclosure required by this section, the amount expended on the communications and the name and address of any person and/or group that contributes more than \$250.00 per year to the person and/or group expending \$500.00 or more on the communications. If the person and/or group making a contribution of more than \$250.00 is a natural person, the disclosure required by this section shall also include the person's occupation and employer.
- (2) Any person and/or group, including a corporation that qualifies under Section 501(c)(4) of the Internal Revenue Code, that contributes \$500.00 or more during any one calendar year for the purpose of making an electioneering communication shall, within 48 hours of making the donation, report to the City Clerk the names and addresses of:

- (a) The person and/or group's chief executive officer or, for entities that have do not have an official with that title, the person performing the largest number of duties of a chief executive officer;
- (b) Any "professional lobbyist," as defined by C.R.S. 24-6-301(6), that has been paid by the person and/or group to communicate with one or more "covered officials," as defined by C.R.S. 24-6-301(1.7); and
- (c) Any person and/or group paid to communicate with the Mayor or one or more City Council members concerning the passage, defeat, or amendment of City of Lakewood ordinances, resolutions, or rules.

(3) *Disclaimer.*

- (a) In addition to any other applicable requirements provided by law, and subject to the provisions of this section, any electioneering communication on which the person and/or group responsible for the communication expends \$500.00 or more shall include in the communication a statement that:
 - (I) The communication has been "paid for by (full name of the person and/or group paying for the communication)";
 - (II) The communication is "Not authorized by any candidate"; and
 - (III) The name of a natural person who is the registered agent if the person and/or group identified in subparagraph (I) of this paragraph (a) is not a natural person.
- (b) In the case of a broadcast communication, the statement required by this section shall satisfy all applicable requirements promulgated by the Federal Communications Commission for size, duration, and placement.
- (c) In the case of a non-broadcast communication, the City Clerk shall, by rule communicated and published by the City Clerk, establish size and placement requirements for the disclaimer.
- (d) As to communications transmitted by means of the internet, the disclaimer shall be clearly visible and placed on or adjacent to the communication.

(Ord. O-2023-7 § 1, 2023; Ord. O-2013-22 § 1, 2013)

2.54.080 Miscellaneous Provisions.

A. *Media outlets—Political records.* Any media outlet that is subject to the provisions of 47 U.S.C. sec. 315(e) shall maintain and make available for public inspection such records as the outlet is required to maintain to comply with federal law or rules.

B. *Immunity from liability.*

(1) Any individual volunteering their time on behalf of a candidate or candidate committee shall be immune from any liability for a fine or penalty imposed pursuant to this Code in any proceeding that is based on an act or omission of such volunteer if:

- (a) The volunteer was acting in good faith and within the scope of such volunteer's official functions and duties for the candidate or candidate committee; and
- (b) The violation was not caused by willful and intentional misconduct by such volunteer.

(2) Any media outlet shall be immune from civil liability in any court where the media outlet:

- (a) Withdraws advertising time reserved by an independent expenditure committee that fails to register in accordance with the requirements of Section 2.54.030(F); or
- (b) Elects to void an advertising contract and the advertisement:
 - (I) Is paid for by an independent expenditure committee that fails to register under this Code;
 - (II) Is paid for by an independent expenditure committee that is registered under Section 2.54.030 but the committee fails to file a required disclosure report through the date of the most recent required report; or
 - (III) If the independent expenditure committee otherwise fails to satisfy any requirements of this Code.

(3) An affected media outlet may void a contract that implicates paragraph (b) of subsection (2) of this section in the sole discretion of the media outlet.

C. *Expenditures—Political advertising—Rates and charges.*

- (1) No candidate shall pay to any radio or television station, newspaper, periodical, or other supplier of materials or services a higher charge than that normally required for local commercial customers for comparable use of space, materials, or services. Any such rate shall not be rebated, directly or indirectly.
- (2) Any radio or television station, newspaper, or periodical that charges a candidate committee a lower rate for use of space, materials, or services than the rate such station, newspaper, periodical, or supplier charges another candidate committee for the same public office for comparable use of space, materials, or services shall report the difference in such rate as a contribution to the candidate committee that is charged such lower rate.
- (3) Nothing in this Code shall be construed to prevent an adjustment in rates related to frequency, volume, production costs, and agency fees if such adjustments are offered consistently to other advertisers.

D. Encouraging withdrawal from campaign prohibited. No person and/or group shall offer or give any candidate or candidate committee any money or any other thing of value for the purpose

of encouraging the withdrawal of the candidate's candidacy, nor shall any candidate offer to withdraw a candidacy in return for money or any other thing of value.

(Ord. O-2023-7 § 1, 2023; Ord. O-2019-24 § 4, 2019; Ord. O-2013-22 § 1, 2013)