

IN THE MATTER OF COLORADO SPRINGS FORWARD STATE POLITICAL FUNDING COMMITTEE

2022-08

NOTICE OF INITIAL REVIEW AND INVESTIGATION

John H. Pitchford (“Complainant”) filed Complaint 2022-08 on February 28, 2022, against Colorado Springs Forward State Political Funding Committee (“Respondent”), a registered political committee in TRACER.¹ Complainant checked the boxes alleging that Respondent failed to report an expenditure or contribution, had inaccurate or incomplete filing, and made a prohibited contribution or expenditure. Specifically, Complainant alleges Respondent has reported no contributions since July 2016, had an on-hand balance of \$850, and made two prohibited \$5,000 contributions to candidate committees in October 2021, which were not reported in Respondent’s required disclosure reports.²

The Division notified Respondent of the Complaint on February 28, 2022.

The Division has completed its initial review according to section 1-45-111.7(3), C.R.S. For the reasons stated below, the Division initially determines that Complainants identified potential violations of Colorado campaign finance law and alleged sufficient facts to support a legal and factual basis regarding the alleged violations. Accordingly, the Division will investigate the allegations contained in the Complaints pursuant to section 1-45-111.7(5), C.R.S.

Analysis

Any person who believes that a violation of Colorado campaign finance law has occurred may file a complaint with the Colorado Secretary of State.³ Upon receipt, the Division must initially review a complaint to determine: (1) whether the complaint was timely filed; (2) whether the complaint specifically identified one or more violations of Colorado campaign finance law; and (3) whether the complaint alleged sufficient facts to support a factual and legal basis for the complaint.⁴

¹ Complaint 2022-08.

² *Id.*

³ Section 1-45-111.7(2)(a), C.R.S.

⁴ Section 1-45-111.7(3)(a), C.R.S.

1. The Complaint was timely filed.

The Division initially determines that the complaint was timely filed. A complaint must be filed no later than 180 days after the date on which the complainant knew or should have known, by the exercise of reasonable diligence, of the alleged violation.⁵

Complainant alleges that they were first made aware of the potential violations alleged in the Complaint on February 24, 2022, but did not detail how they were made aware of the potential violations.⁶ The Complaint involves contributions allegedly made by Respondent on October 10, 2021, and October 25, 2021, that were required to be reported on Respondent's November 1, 2021, report of contributions and expenditures. Complainant also alleges that Respondent has not reported any contributions since July 2016.

Based on the information provided by Complainant, the Division determines that the Complaint was timely filed per section 1-45-111.7(2)(b), C.R.S., as the Complaint was filed within 180 days of when Complainant knew or should have known of the alleged violations.

2. Complainant identifies one or more potential violations of Colorado campaign finance law.

The Division makes the initial determination that Complainant identifies one or more potential violations of Colorado campaign finance law.

Under Colorado law, all political committees must report all contributions received and expenditures made.⁷

Expenditure means:

any purchase, payment, distribution, loan, advance, deposit, or gift of money by any person for the purpose of expressly advocating the election or defeat of a candidate or supporting or opposing a ballot issue or ballot question. An expenditure is made when the actual spending occurs or when there is a contractual agreement requiring such spending and the amount is determined.⁸

Further, a contribution is:

- (I) The payment, loan, pledge, gift, or advance of money, or guarantee of a loan, made to any candidate committee, issue committee, political committee, small donor committee, or political party;

⁵ Section 1-45-111.7(2)(b), C.R.S.

⁶ Complaint 2022-08.

⁷ Section 1-45-108(1)(a)(I), C.R.S.

⁸ COLO. CONST. art. XXVIII, § 2(8)(a).

- (II) Any payment made to a third party for the benefit of any candidate committee, issue committee, political committee, small donor committee, or political party;
- (III) The fair market value of any gift or loan of property made to any candidate committee, issue committee, political committee, small donor committee or political party;
- (IV) Anything of value given, directly or indirectly, to a candidate for the purpose of promoting the candidate's nomination, retention, recall, or election.⁹

Additionally, the aggregate limit on contributions that any political committee may make to a candidate committee of a candidate for a county office, and that a candidate committee for such candidate may accept, is \$1,250 for the primary and \$1,250 for the general, which in total may not exceed \$2,500.¹⁰

Here, the Complaint alleges that Respondent has reported no contributions since July 2016 and showed an on-hand balance of only \$850. Complainant further alleges that Respondent made two prohibited \$5,000 contributions to two candidate committees for county office in October 2021, which were not reported in Respondent's required disclosure reports.

The Division finds that Complainant's allegations indicate one or more potential violations of Colorado campaign finance law.

3. Complainant alleges sufficient facts to support a factual and legal basis for the violations of law alleged in the Complaint.

The Division initially determines that Complainant alleges sufficient facts to support a factual and legal basis for the violations of law alleged in the Complaint.

Complainant alleges that Respondent has reported no contributions since July 2016 and showed a on hand balance of only \$850. Complainant further alleges that Respondent made two prohibited \$5,000 contributions to two candidate committees for county office in October 2021, which were not reported in Respondent's required disclosure reports. Complainant refers to TRACER including identifying specific transactions, committees involved, and reports of contributions and expenditures.

Based on the information Complainant provided, the Division determines that Complainant alleges facts that, if proven, could establish that Respondent violated Colorado campaign finance laws.

⁹ COLO. CONST. art. XXVIII, § 2(5)(a).

¹⁰ 8 CCR 1505-6, Rule 10.17(g); *see also* section 1-45-103.7(1.5)(a)(I), C.R.S.

Conclusion

For the reasons stated above, the Division makes the initial determination that Complainant alleged potential violations of Colorado campaign finance law. Accordingly, the Division will investigate the allegations contained in the Complaint pursuant to section 1-45-111.7(5), C.R.S. to determine whether to file a motion to dismiss the Complaint with the Deputy Secretary of State or file a complaint with a hearing officer.

Please note that all documents and records related to the alleged violations in this complaint, including email communications, financial records, and other relevant documentation must be maintained until the final agency decision has been reached or appeals have been exhausted.

Dated this 14th day of March 2022.

/s/ Luis Lipchak
Luis Lipchak
Campaign and Political Finance Enforcement
Elections Division
Colorado Secretary of State

CERTIFICATE OF SERVICE

I certify that a true and correct copy of this Notice of Initial Review and Investigation was served by electronic transmission to:

Respondent – Colorado Springs Forward State Political Committee
katie@strategiccompliancellc.com – *Registered Agent*

Complainant – John Pitchford
pitchfordjh@yahoo.com

On this 14th day of March 2022.

/s/Luis Lipchak
Elections Division