# STATE OF COLORADO IN THE OFFICE OF THE SECRETARY OF STATE

ELECTIONS DIVISION OF THE SECRETARY OF STATE,

Complainant,

vs.

AUON'TAI M. ANDERSON AND AUON'TAI M. ANDERSON FOR DENVER KIDS Respondent.

#### SETTLEMENT AGREEMENT

This Settlement Agreement is entered into between the Elections Division of the Colorado Secretary of State ("Division"), Auon'tai M. Anderson ("Respondent Anderson"), and Auon'tai M. Anderson for Denver Kids ("Respondent Committee") (collectively "Respondents").

#### Recitals

- A. Respondent Committee is a candidate committee formed on September 7, 2018, to support the candidacy of Auon'tai "Tay" Anderson for election to the DPS School Board.
- B. Respondent Anderson was elected to the DPS School Board in the 2019 election. He also was a candidate for Colorado House District 08 in the 2024 election.
- C. On October 18, 2022, Respondent filed a candidate affidavit indicating his intention to run for re-election to the DPS School Board in 2023.
- D. Respondent Committee failed to timely file a report of contributions on April 15, 2022. Respondents submitted a waiver request to the Division on January 20, 2023. On January 30, 2023, the Division's waiver committee reduced the penalty from \$100 to \$50, noting that this was Respondent's first late filing penalty.

- E. On March 15, 2023, Respondents paid the \$50 late filing penalty imposed for the April 15, 2022, report of contributions and expenditures. However, Respondents failed to report this payment as an expenditure.
- F. On June 12, 2023 Respondent Anderson registered a second candidate committee, Anderson for Colorado. The purpose of that committee was to support Respondent Anderson's candidacy for a different office- Colorado House District 8.
- G. On January 22, 2024, Shaun Waymire filed Complaint 2024-06 with the Division, alleging that Respondent violated state campaign finance law by failing to terminate an existing candidate committee within ten days opening a new candidate committee. Complaint 2024-06 further alleged that Respondent failed to properly report the \$50 penalty paid to the Division on March 15, 2023, as an expenditure.
- H. During the course of its review and investigation, the Division determined that Respondents violated Colorado campaign finance law by:
  - 1. Failing to report the \$50 penalty paid to the Division on March 15, 2023 as an expenditure as required under section 1-45-108(1)(a)(I), C.R.S.
  - 2. Failing to terminate an existing candidate committee after registering a new candidate committee for a different public office within ten days as required under Secretary of State's Campaign and Political Finance Rule 12.2, [8 CCR 15-05-6].
- I. During the Division's review and investigation, Respondent fully cooperated with the Division.
- H. Nothing in the Division's investigation suggested an intent to mislead the electorate.
- I. The Division will be filing a complaint with the Administrative Hearing Officer (the "Administrative Proceedings"). The Administrative Hearing Officer complaint will be dismissed if the Settlement Agreement is adopted and approved.
- J. The Division and Respondent desire to resolve this matter without the expense of continued litigation. Therefore, in consideration of the mutual covenants contained in this Agreement, the parties agree and covenant as follows:

#### **Agreement**

#### Section 1. Deputy Secretary of State Approval

This Settlement Agreement and all promises contained within are contingent upon approval of the Deputy Secretary of State, which approval will be demonstrated by the Deputy Secretary's signature to this agreement. In the event the Deputy Secretary does not approve this Settlement Agreement, neither the Recitals above nor the promises below shall be binding upon, or enforceable against, either the Division or Respondent.

# Section 2. Payment of Stipulated Penalty

A. Failure to terminate an existing candidate committee within ten days of registering a new candidate committee as required under Rule 12.2:

Within 14 days of the Committee's receipt of an invoice from the Division, **Respondent shall pay \$50 to the Division**. Respondent Anderson also agrees to take all steps necessary to terminate a candidate committee, either Anderson for Colorado or Auon'tai M. Anderson for Denver Kids, as soon as is reasonably practicable.

This penalty reflects Rules 23.3.3(f) and 23.3.4(a)(5) of the Secretary's Rules on Campaign Finance. 8 CCR 1505-6.

Because Respondent failed to terminate an existing candidate committee within ten days of registering a new candidate committee, the Division may assess penalties based on the circumstances of the violations and seek specific action from Respondent. The Division notes that Respondents fully cooperated with the Division's investigation.

It does not appear that respondent had any intent to mislead the electorate—as supported by the fact that Respondent Anderson is no longer seeking election to either office. Furthermore, Respondents were initially unable to terminate Respondent Committee despite the desire to do so. Respondents had late filing penalties and had requested a waiver by the Division and were awaiting a waiver decision. During this period Respondents met with the Division's compliance team to inquire about terminating Respondent Committee and was told Respondent Committee could not be terminated in TRACER until determinations were made on the pending waiver requests.

Accordingly, the Division finds that a penalty of \$50, plus the specific action required above, is appropriate.

This agreement is independent of the separate matter concerning Respondent's late-filing penalties that were separately assessed by the Department. Respondents agree to work with the Division's compliance team to satisfy any and all Rule 18 late penalty violations.

If Respondent fails to comply with the terms of the settlement agreement, the Division may pursue other means of collection available at law.

# B. Failure to report the \$50 expenditure as required by section 1-45-108(1)(a)(I), C.R.S.

During the complaint handling process the Division notified Respondents of the opportunity to cure the violation. Respondents took action by reporting the expenditure in question as required. The Division has determined Respondents cured the violation and substantially complied with their legal obligations. Therefore, the Division is not pursuing this claim.

# Section 3. Compliance with Colorado Campaign Finance Law

Respondent agrees to comply with Colorado law relating to reporting contributions and expenditures and to otherwise comply with Colorado Campaign Finance Law, including Article XXVIII of the Colorado Constitution, the Fair Campaign Practices Act, §§ 1-45-101, et seq., and the rules of the Secretary of State concerning campaign and political finance.

## Section 4. Dismissal of Administrative Proceedings

The Division will move to dismiss the Administrative Proceedings with prejudice following the Deputy Secretary's approval of the settlement.

## Section 5. Admissions

Respondent admits that they failed to terminate an existing candidate committee within ten days of registering a second candidate committee for the purpose of seeking a new public office.

#### Section 6. Release and Covenant Not to Sue

Respondent, for itself, its agents, assigns, representatives, attorneys, and subrogees, releases and forever discharges the Division, the Secretary of State, and the State of Colorado, and all of their former, current, and successor officers, employees, agents, and attorneys, from any and all claims, actions, causes of action, debts, demands, liabilities, losses, injuries, and/or damages arising from or relating to the Administrative Proceedings. Respondent further expressly agrees and covenants that he will not sue or assert any cause of action, at law or in equity and whether before a court of law or an administrative agency, against the Division, the Secretary of State, or the State of Colorado, or any of their former, current, and successor officers, employees, agents, and attorneys, for any claim arising from or related to the Administrative Proceedings.

# Section 7. Waiver of Appeal Rights

Respondent expressly waives any right for further administrative or judicial review of any matter related to the Administrative Proceedings or this Agreement, including but not limited to any rights provided by §§ 24-4-105 and -106, C.R.S. (2022).

# Section 8. Public Records

Respondent understands and agrees that this Agreement may be made available to the public on the Secretary of State's TRACER Campaign Finance reporting system and may also be made available to members of the public who serve a valid request under the Colorado Open Records Act, § 24-72-101, et seq., C.R.S. (2021).

#### Section 9. Full and Complete Agreement

This Agreement, including any attachments referenced in the Agreement, constitutes the full and complete agreement of the parties and shall supersede any and all prior understandings, whether written or oral.

#### Section 10. <u>Final Agency Action</u>

This Settlement Agreement shall become final agency action under the State Administrative Procedures Act, §§ 24-4-101 *et seq.*, upon completion of all terms of compliance contained herein, including but not limited to dismissal of the Administrative Proceedings.

# Section 11. Warranties

Respondent and the Division expressly warrant that they have carefully and completely read the terms of this Agreement. The parties expressly warrant that they have had the opportunity to consult with legal counsel before executing this

Agreement, that they fully understand the terms of this Agreement, and that they enter into this Agreement knowingly and voluntarily, and without coercion, duress or undue influence. Each of the parties warrants that, in executing this Agreement, the parties have not relied upon any promise, warranty, or representation made by any other party, except as such promises, warranties, or representations are expressly stated in this Agreement. Finally, each of the signatories below warrants that they have authority to enter into the Agreement on behalf of the named parties.

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# ELECTIONS DIVISION OF THE SECRETARY OF STATE

05/13/2024	Chance Cochran
DATE	By: Chance Cochran
	Campaign Finance Enforcement Legal
	Analyst
AUON'TAI M. ANDERSO KIDS	ON & AUON'TAI M. ANDERSON FOR DENVER
4/7/2024	Auon'tai M. Anderson
DATE	By: Auon'tai Anderson Candidate
ADOPTED AND APPRO	OVED BY:
May 14, 2024	
DATE	By: Christopher P. Beall
	Deputy Secretary of State