

<p>STATE OF COLORADO SECRETARY OF STATE ADMINISTRATIVE HEARING OFFICER 1700 Broadway #550 Denver, CO 80290</p> <hr/> <p>BEFORE THE SECRETARY OF STATE, COLORADO DEPARTMENT OF STATE, <i>in re</i> ED 2024-08</p> <p>ELECTIONS DIVISION OF THE SECRETARY OF STATE,</p> <p>Complainant,</p> <p>vs.</p> <p>BOLDLY FORWARD COLORADO,</p> <p>Respondent.</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p> <hr/> <p>CASE NUMBER</p> <p>2024 AHO _____</p>
<p>COMPLAINT</p>	

Pursuant to § 1-45-111.7, C.R.S. (2024), the Elections Division of the Secretary of State files this complaint against Boldly Forward Colorado (“Boldly Forward”).

BACKGROUND

1. To foster transparency and assist voters in evaluating the arguments made in political communications, Colorado requires organizations with “a major purpose” of supporting or opposing a ballot measure to register as an “issue committee” with the Colorado Secretary of State and disclose their contributions and expenditures.

2. Boldly Forward made approximately \$351,875 in expenditures during 2023 to support the passage of Proposition HH on the November 2023 ballot, but Boldly Forward has neither registered as an issue committee with the Colorado Secretary of State nor disclosed its contributions and expenditures.

3. Boldly Forward’s failure to register and disclose as required by law deprived Colorado voters of critical information about the interests behind Boldly Forward’s support of Proposition HH.

PARTIES

4. Complainant is the Elections Division (“Division”) of the Colorado Secretary of State.

5. Respondent is Boldly Forward Colorado, a nonprofit corporation registered with the Colorado Secretary of State.

JURISDICTION AND VENUE

6. The Division has jurisdiction under § 1-45-111.7.

7. The Division files this complaint with a hearing officer consistent with § 1-45-111.7(5)(a)(IV).

8. This complaint is timely filed within thirty days of Division’s May 9, 2024 Notice of Investigation, according to § 1-45-111.7(5)(a)(IV).

9. Venue is proper before the hearing officer under § 1-45-111.7(5).

ALLEGATIONS

10. Boldly Forward is a 501(c)(4) nonprofit organization registered with the Secretary of State. According to its website, Boldly Forward “supports bold efforts to lower the cost of living for hardworking Coloradans so they can stop just getting by but thrive in our great state. Such efforts include but are not limited to expanding access to early childhood education, lowering the cost of healthcare, creating a sustainable future and fiscal reform.”

11. Property Tax Relief Now is an issue committee registered with the Secretary of State whose purpose is “to support the passage of Proposition HH and provide property tax relief for Coloradans and businesses while protecting funding for schools, fire districts, and community services.”

12. Between June and October of 2023, Boldly Forward made five contributions to Property Tax Relief Now totaling \$391,875:

- a. \$50,000 on June 28;
- b. \$16,875 on September 27;
- c. \$75,000 on October 12;
- d. \$240,000 on October 26; and,

e. \$10,000 on October 27.

13. Property Tax Relief Now returned \$20,000 to Boldly Forward on December 11, 2023 and another \$20,000 to Boldly Forward on December 28, 2023.

14. In total, Boldly Forward contributed \$351,875 to Property Tax Relief Now in support of Proposition HH in 2023.

15. Boldly Forward's total spending in 2021, 2022, and 2023 was \$1,211,858.54.

16. 29.04% of Boldly Forward's overall spending between 2021 and 2023 took the form of contributions made to Property Tax Relief Now in support of Proposition HH.

17. These expenditures reflect Boldly Forward's demonstrated pattern of conduct in support of Proposition HH.

18. On January 24, 2024, the Public Trust Institute, through its agent, Suzanne Taheri, filed a campaign finance complaint against Boldly Forward with the Elections Division. That complaint, 2024-08, included allegations that Boldly Forward had a major purpose of supporting Proposition HH in 2023, and had failed to register as an issue committee or disclose its contributions and expenditures.

COLORADO CAMPAIGN FINANCE LAW

19. An issue committee is any person "that has a major purpose of supporting or opposing any ballot issue or ballot question" and "has accepted or made contributions or expenditures in excess of two hundred dollars to support or oppose any ballot issue or ballot question." Colo. Const. art. XXVIII, § 2(10)(a); *see also* 8 Colo. Code Regs. § 1505-6:1, Rule 1.20 ("Issue committee" means a person or a group of people that meets both of the conditions in Colo. Const. Article XXVIII, Section 2(10)(a)(I) and 2(10)(a)(II).").

20. "Major purpose" means the support or opposition to a ballot issue or question that may be reflected by, among other things, an organization's demonstrated pattern of conduct based upon the organization:

During the combined period of the current calendar year and the preceding two calendar years, making either contributions to a single statewide Colorado issue committee or direct ballot issue or ballot question expenditures, in either support of or opposition to

a single statewide Colorado ballot issue or ballot question, that exceeded twenty percent of the total dollar amount of all funds spent by the organization for any purpose and in any location.

§ 1-45-103(12)(b)(II)(D).

21. An issue committee must register with the Secretary of State “within ten calendar days of accepting or making contributions or expenditures in excess of two hundred dollars to support or oppose any ballot issue or ballot question.” § 1-45-108(3.3).

22. An issue committee must report to the Secretary of State its “contributions received . . . , expenditures made, and obligations entered into.” § 1-45-108(1)(a)(I).

CLAIM ONE
Failure to Register as an Issue Committee
(§ 1-45-108(3.3), C.R.S.)

23. All preceding allegations are incorporated.

24. Boldly Forward has a major purpose of supporting the ballot measure which appears on the November 2023 ballot as Proposition HH.

25. Boldly Forward has demonstrated a pattern of conduct supporting Proposition HH, including its contributions to Property Tax Relief Now in support of Proposition HH, which exceeded twenty percent of the total dollar amount of all funds spent by Boldly Forward for any purpose and in any location in 2021, 2022, and 2023.

26. Boldly Forward has accepted or made contributions and expenditures, as those terms are defined in Article XXVIII of the Colorado Constitution, in excess of two hundred dollars to support Proposition HH.

27. Boldly Forward has not registered as an issue committee with the Secretary of State.

28. The Division is entitled to relief under Article XXVIII of the Colorado Constitution and the Fair Campaign Practices Act, § 1-45-101 et seq.

CLAIM TWO
Failure to Report Contributions and Expenditures
(§ 1-45-108(1), C.R.S.)

29. All preceding allegations are incorporated.

30. Boldly Forward is an issue committee as defined by the Colorado Constitution.

31. As an issue committee, Boldly Forward is required to report to the Secretary of State its contributions received, expenditures made, and obligations entered into.

32. Boldly Forward made expenditures in support of Proposition HH in 2023.

33. Boldly Forward has not filed a report with the Secretary of State disclosing its contributions, expenditures, and obligations.

34. The Division is entitled to relief under Article XXVIII of the Colorado Constitution and the Fair Campaign Practices Act, § 1-45-101 et seq.

PRAYER FOR RELIEF

WHEREFORE, the Elections Division prays for judgment and relief as follows:

- (a) Penalties to include appropriate fines; and
- (b) Such other relief as is warranted by the facts and the law.

Respectfully submitted this 10th day of June, 2024.

PHILIP J. WEISER
Attorney General

/s/ Kyle M. Holter

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CERTIFICATE OF SERVICE

This is to certify that I will cause the foregoing to be served this 10th day of June, 2024, by email, addressed as follows:

Boldly Forward Colorado
c/o Mark Grueskin
mark@rklawpc.com

/s/ Carmen Van Pelt