STATE OF COLORADO IN THE OFFICE OF THE SECRETARY OF STATE

ELECTIONS	DIVISION	OF THE	SECRETARY	OF STATE.

Complainant,

vs.

SOLOMON FOR COLORADO

Respondent.

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into between the Elections Division of the Colorado Secretary of State ("Division"), and Solomon for Colorado ("Respondent" or "Committee").

Recitals

- A. Respondent is a candidate committee formed to support the candidacy of Matt Solomon in the 2022 election for Colorado Senate District 08.
- B. On October 24, 2022, the Elections Division received a complaint alleging that Respondent failed to include the required disclaimer statement on a mailed campaign flyer. Respondent was provided with notice of the Complaint that same day.
- C. The Division sent Respondent a notice of initial review and opportunity to cure on November 3, 2022.
- D. Respondent spent \$18,071.72 to produce and distribute mailers supporting his candidacy that did not include compliant disclaimers.
- E. Section 1-45-108.3, C.R.S., requires that any person spending more than \$1000 on an election communication within a calendar year include a disclaimer statement that conforms to the requirements of section 1-45-107.5(5). Here, section 1-45-107.5(5) required Respondent to include a "paid for by" disclaimer and identify a registered agent on the communication.

- F. Respondent's failure to include the required disclaimer on the communication was apparently caused by a third-party vendor who added artwork which obscured the disclaimer included in an earlier draft of the mailer.
- H. Nothing in the Division's investigation suggested an intent to mislead the electorate.
- I. The Division filed a complaint with the Administrative Hearing Officer (the "Administrative Proceedings") on July 20, 2023. 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:

<u>Agreement</u>

Section 1. <u>Deputy Secretary of State Approval</u>

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

Within 14 days of the Committee's receipt of an invoice from the Division, Respondent shall pay \$542, approximately 3% of the cost of the communication, to the Division.

This penalty reflects Rule 23.3.3(d)(2) of the Secretary's Rules on Campaign Finance. 8 CCR 1505-6.

Because the Committee did not include a compliant disclaimer on the communication, Rule 23.3.3 (d)(2) calls for a penalty of at least 10% of the cost of the communication. Accordingly, Rule 23.3.3(c)(1) suggests a base penalty of \$1,807.17.

However, the Division finds mitigating factors. Respondent cooperated with the Division's investigation and admitted to the violation. Furthermore, Respondent initially included a disclaimer on the communication, which was then covered by artwork subsequently added by a third-party vendor. Accordingly, the Division finds that a penalty of \$542, or 3% of the cost of the noncompliant communication is appropriate.

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

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. <u>Dismissal of Administrative Proceedings</u>

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 it produced and distributed \$18,071.72 worth of mailers that did not include a compliant disclaimer statement.

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. Final Agency Action

Upon its approval by the Deputy Secretary, this Settlement Agreement shall become final agency action under the State Administrative Procedures Act, §§ 24-4-101 *et seq.* as to to all campaign finance complaints received by the Division against the Committee as of the date the Agreement is executed by the Division.

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

07/24/2024	Chance Cochran
DATE	By: Chance Cochran
	Campaign Finance Legal Analyst
SOLOMON FOR COLORADO	
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07/31/2024	The farmer
DATE	By: Matt Solomon
	Candidate
ADOPTED AND APPROVED BY:	
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Aug. 2, 2024	/ STORY OF THE PARTY OF THE PAR
DATE	By: Christopher P. Beall
	Deputy Secretary of State
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