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

ELECTIONS DIVISION OF THE SECRETARY OF STATE,

Complainant,

vs.

LEISY FOR HOUSE DISTRICT 65,

Respondent.

#### SETTLEMENT AGREEMENT

This Settlement Agreement is entered into between the Elections Division of the Colorado Secretary of State ("Division") and Leisy for House District 65 ("Respondent").

# Recitals

- A. Respondent is a candidate committee registered with the Colorado Secretary of State whose purpose is to elect Trent Leisy to Colorado's House District 65.
- B. Mr. Leisy was a candidate in the Republican primary election held on June 25, 2024.
- C. To begin their campaign on March 7, 2024, Respondent printed 100 homemade flyers.
  - D. Respondent spent \$21.28 to produce the homemade flyers.
- E. Respondent also began advertising their candidacy for House District 65 on the website TrentLeisy.com.
  - F. Respondent spent \$47.49 for the website.
  - G. Respondent did not timely report either of the two expenditures.

- H. On June 14, 2024, the Division received a complaint alleging Respondent failed to report expenditures. Respondent was provided with notice of the Complaint that same day.
- I. Respondent cooperated with the Division's investigation, including by sharing its receipts. Doing so enabled the Division to identify the scope of Respondent's expenditures.
- J. 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.
- K. 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

Within 14 days of Respondent's receipt of an invoice from the Division, **Respondent must pay \$51.74** to the Division.

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

For failing to report expenditures, Rule 23.3.3(b)(1) calls for a fine of \$100 per report plus 5 percent of the activity not reported. Respondent was required to report their expenditures in one report. Therefore, the applicable fine would be \$103.44.

However, the Division finds mitigating circumstances here. Respondent fully cooperated with the Division's investigation, most notably by providing sufficient documentation to establish the expenditures Respondent made. Doing so enabled the Division to understand the scope of the violation.

Accordingly, the Division finds that a penalty of \$51.72, which is 50% of the applicable fine, is appropriate. This penalty is sufficient to further the purposes of Colorado campaign finance law.

#### Section 3. Compliance with Colorado Campaign Finance Law

Respondent agrees to immediately report the two expenditures made during the 2023 election cycle.

Respondent also agrees 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 did not timely report the two expenditures.

## 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 it 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 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*.

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#### 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.

#### ELECTIONS DIVISION OF THE SECRETARY OF STATE

08/06/2024	
DATE	By: Alex Gentry Campaign Finance Enforcement Analyst
LEISY FOR HOUSE DISTRICT 65	
<u>8-6-2024</u> DATE	Ry Went Leisy
ADOPTED AND APPROVED BY:	
August 30, 2024	A HOUSE SOLL
DATE	By: Christopher P. Beall Deputy Secretary of State
	Deputy Secretary of State