STATE OF COLORADO Department of State 1700 Broadway, Suite 550 Denver, CO 80290



BEFORE THE COLORADO DEPUTY SECRETARY OF STATE 1700 Broadway, Suite 550 Denver, Colorado 80290 IN THE MATTER OF ELECTIONS DIVISION of the SECRETARY OF STATE, Complainant,

VS.

RALENE FOR D49, a candidate committee Respondent.

AHO Case No. 2024-023

(Elec. Div'n Case No: 2023-61)

PROCEDURAL ORDER REGARDING AHO'S INITIAL DECISION (with attached copy of same)

Pursuant to section 24-4-105(16)(a), C.R.S., of the Colorado Administrative Procedures Act, section 1-45-111.7(6)(b), C.R.S., of the Colorado Fair Campaign Practices Act, and Rule 24.18 of the Secretary of State's Rules Concerning Campaign and Political Finance, 8 CCR 1505-6, service is hereby effected of the attached copies the Administrative Hearing Officer's ("AHO") initial decision in the form of his Entry of Default and Default Judgment, issued on today's date in the above-referenced matter.

The Colorado Deputy Secretary ("Deputy Secretary") hereby serves this Procedural Order Regarding AHO's Initial Decision ("Procedural Order") upon the parties to notify all concerned of their rights, responsibilities, and deadlines should any party seek review by the Deputy Secretary of this Initial Decision.

This case remains open across the period of potential appeal and review by the Deputy Secretary. The Deputy Secretary is not bound by the AHO's initial rulings in the form of his Entry of Default and Default Judgment. If the Deputy Secretary takes up this case for review, the Deputy Secretary may issue a Final Agency Order with a different result than that recommended in the AHO's initial decision here.

In order to challenge the AHO's initial decision, a party must file exceptions with the Deputy Secretary pursuant to the procedures outlined in subsections 24-4-105(14), (15) and (16), C.R.S. and this Order.

I. General Filing Requirements

All requests and pleadings must be filed in writing electronically with the Deputy Secretary and not with the AHO or with the Elections Division. The email address for filing exceptions in this matter is: OACAppeals@ColoradoSoS.gov.

Any party that files a pleading or related document with the Deputy Secretary must also serve a copy of such pleading or related document upon the opposing party.

II. Exceptions

Pursuant to section 24-4-105, a party may appeal the Entry of Default and the Default Judgment entered by the AHO by means of the exceptions review process ("Exceptions"). In such an appeal, a party must file what it denominates as its "Exceptions to the Initial Decision" according to the deadlines and procedures outlined below in this Procedural Order:

A. Designation of Record

Any party who seeks to reverse or modify the AHO's initial decision must file a Designation of Record within twenty (20) days from the date of this Procedural Order. Any party that wishes to challenge factual findings in the AHO's initial decision must also designate relevant transcript(s), or parts thereof, of the proceedings before the AHO in their Designation of Record. A transcript is not necessary if the requested review is limited to a pure question of law.

Within ten (10) days after service of the Designation of Record, any other party, including the Deputy Secretary, may file a "Supplemental Designation of Record" including any additional transcripts, or parts thereof, of the proceedings before the AHO. The Supplemental Designation of Record must specify all or part of the Record to be additionally included in the appeal.

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A party ordering transcript(s) is responsible for ordering and filing such transcripts with the Deputy Secretary. It is recommended that a party contact the AHO and a certified court reporter for information on how to order a transcript.

B. <u>30-Day Deadline for filing Exceptions</u>

Exceptions are due within thirty (30) days after the date of this Procedural Order. A party may request an extension of time to file Exceptions prior to thirty (30) days after the date of this Procedural Order. An extension of time will be granted for good cause.

The parties should be aware that delays in receiving an ordered transcript will <u>not</u> result in an automatic extension of the deadline for filing Exceptions. Rather, a proper motion for such relief must be filed.

C. Deadlines for Responses, Replies, and Proposed Orders

Responses: Either party may file a response to the other party's Exceptions within fourteen (14) days from the date of the Exceptions filing.

Replies: Either party may file a reply to the other party's response to Exceptions within seven (7) days from the date of the responsive filing.

Proposed Orders: Either party may file a proposed final agency order. Such proposed order may be filed together with the party's Exceptions, response, or reply.

III. Computation and Modification of Time

All time periods are calculated pursuant to Colorado Rules of Civil Procedure Rule 6.

IV. Oral Arguments

The Deputy Secretary may permit oral argument upon request by either party. Such request must be filed with the exceptions, response, or reply. If permitted, each party will be allotted a defined time limit for oral argument. The requesting party will present first and may reserve time for rebuttal. The Deputy Secretary will be permitted to ask questions. Oral argument must be confined to the arguments and evidence presented during the hearing or in the exceptions and responses thereto. Evidence or arguments outside the record may not be presented during oral argument.

V. Final Order

The Deputy Secretary may affirm, set aside, or modify any, all, some, or no parts of the AHO's initial decision, including any findings of fact, conclusions of law, and recommended dismissal, sanction or other penalty within the Deputy Secretary's authority. Under most circumstances, the Deputy Secretary will issue a Final Agency Order at the conclusion of his review. On occasion, however, the Deputy Secretary may conclude that either the factual basis or legal analysis, or both, in the AHO's initial decision are insufficient to complete an appropriate review of the case. In such instance, the Deputy Secretary will subsequently issue a Revised Initial Decision upon remand. The parties will have the same appeal rights with respect to the Revised Initial Decision as they had with the original Initial Decision.

The ultimate Final Agency Order is subject to judicial review under section 24-4-106. However, when neither party has timely appealed the AHO's initial decision through Exceptions and the Deputy Secretary has chosen not to initiate his own unilateral review of the initial decision on his own motion, the Initial Decision becomes a Final Agency Order after thirty days of service of this Order by operation of law. *See* § 24-4-105(14)(b)(III), C.R.S. Under these circumstances, neither party has the right to seek judicial review of the AHO's initial decision in the District Court. *See* § 24-4-105(14)(c), C.R.S.

NIT IS SO ORDERED.

DONE and **ORDERED** this <u>10th</u> day of <u>September</u> 2024.

CHRISTOPHER P. BEALL Deputy Secretary of State

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of this **PROCEDURAL ORDER REGARDING**

AHO'S INITIAL DECISION along with the accompanying ENTRY OF DEFAULT and DEFAULT

JUDGMENT by Administrative Hearing Officer Macon Cowles was served on the following parties via

electronic mail on September 10, 2024:

Complainant -

Peter Baumann, Senior Assistant Attorney General Colorado Department of Law Peter.Baumann@CoAG.gov

Respondent –

Ralene for D49 Ginger Ralene Revord teamrevord@gmail.com

Underlying Citizen Complainant

Michelle Kemp kempaloha@gmail.com

Administrative Hearing Officer Macon Cowles –

AdministrativeHearingOfficer@ColoradoSOS.gov

Elections Division –

Colorado Secretary of State, Elections Division <u>cpfcomplaints@coloradosos.gov</u>

> <u>/s/ Christopher P. Beall</u> Deputy Secretary of State

STATE OF COLORADO SECRETARY OF STATE BEFORE THE ADMINISTRATIVE HEARING OFFICER 1700 Broadway #550 Denver, CO 80290		
ELECTIONS DIVISION OF THE SECRETARY OF STATE, Complainant, vs.	COURT USE ONLY	
RALENE FOR D49,	Case Number: 2024 AHO 0023	
Respondent.		
ENTRY OF DEFAULT		

THIS MATTER COMES BEFORE THE COURT on Motion of Complainant for Entry of Default Judgment against Respondent, Ralene for D49 based on alleged violations of Colo. Const. art. xxviii and the Fair Campaign Practices Act (FCPA). See § 1-45-101, et seq., C.R.S.

1. The Administrative Complaint in this matter is dated June 12, 2024. On that date, a copy of the Administrative Complaint was sent to Ralene for D49, c/o Registered Agent Ginger Ralene Revord at the address provided by Ralene for D49 to the Secretary of State: 11850 Kalmath Way, Payton, CO 80831.

2. An Order Setting Answer and Hearing Date was issued June 25, 2024 pursuant to § 1-45-111.7(6)(a) of the FCPA. Respondent was required to answer the Complaint by July 17, 2024. A hearing on all issues raised by the Complaint and expected Answer was set for Monday, July 29, 2024 at 10:00 AM. 3. Respondent has filed no Answer to the Complaint nor a response of any kind that asserted defenses to the two counts charged in the Complaint. Neither the Committee Ralene for D49 nor its registered agent, Ginger Ralene Revord, appeared at the July 29, 2024 hearing.

4. Complainant appeared at the hearing, ready to proceed. The court was reluctant, however, to have an evidentiary hearing without a formal motion for default and entry of default judgment that included proof that Respondent had received notice through the type of service required under the FCPA and the Campaign & Political Finance [CPF] Rules, 8 Code Colo. Regs. 1505-6 pertaining to a defaulting respondent.

5. No evidence was received at the hearing, therefore, and the court instead, received a report about the status of the case and the potential fines for violations of the Constitution and the FCPA campaign finance rules.

6. **Count 1 of the Complaint.** The court was informed that the statutory penalty for the violations charged in Count 1 of the Complaint carry a fine of \$50 per day. This amount could be \$16,950 (339 X \$50), calculated from the date (August 24, 2023) the Committee accepted and deposited a contribution from G3 Flooring Design Center, LLC to the date of the hearing. That is a period of 339 days, starting on the date of the deposit without the committee having received the affirmation from the LLC required by \$ 1-45-103.7(5)(d)(l).

"No candidate committee, political committee, or political party shall accept a contribution from a limited liability company unless the written affirmation satisfying the requirements of this paragraph (d) is provided before the contribution is deposited by the candidate committee, political committee, or political party." [Emphasis supplied.] § 1-45-103.7(5)(d)(I), C.R.S.

7. **Count 2 of the Complaint.** The court was informed that the fine for the violations alleged in Count 2 of the complaint is determined by would be about \$300. There are two violations alleged in the complaint and the rules provide that each violation will carry a fine of \$100 plus 10% of the amount of contributions (totaling \$1,000) alleged to have been in violation of the FCPA. CPF Rule 23.3.3(c)(1) provides for "at least \$100 and 10 percent of the prohibited activity."

8. Counsel for the Division indicated there were mitigating factors that would be considered in setting the amount of the fine. He also stated that the Division would not seek the full amount of the fine allowed by statute for the violations in Count 1. However, he had not consulted with his client about what the Division deemed to be an appropriate fine.

9. The hearing concluded with the understanding that the Division would soon be filing a Motion for Entry of Default Judgment, giving Respondent another opportunity to be heard.

10. Rule 24.7.1 provides that if a person is served an administrative complaint and fails to respond to the complaint within 30 days, "a hearing officer may enter a default against that person."

11. In addition, § 1-45-111.7(6)(a) provides that campaign finance hearings "must be in accordance with section 24-4-105." That section, in turn, permits hearing officers, upon motion, to enter a default. § 24-4-105(2)(b). 12. CPF Rule 24.7.3 requires the party filing a motion for default to serve the motion upon all parties to the proceeding, including the person against whom default is sought, and to provide an affidavit establishing service of the notice and motion for default.

13. The Motion must also be accompanied by an affidavit establishing that both the Administrative Complaint and the motion for entry of default were served upon the person against whom a default is sought "or have been mailed by first-class mail to the last address furnished to the agency by the person against whom the default is sought." Rule 24.7.3(b). C.R.C.P. 108 permits the use of unsworn declarations under C.R.S. § 13-27-101 whenever a procedural rule requires an affidavit. See also Rule 24.3.1 (Colorado Rules of Civil Procedure generally apply in administrative hearings of the Secretary of State).

14. A copy of both the Administrative Complaint and the Motion for Entry of Default Judgment was served on Ralene for D49 by U.S. mail. See Van Pelt Declaration, Motion Ex. 1, ¶¶ 2 and 4.

15. Rule 24.7.3 also requires a party moving for default to set forth the legal authority for the claim and any applicable calculation thereof. The Division has done this in detail in ¶¶10-14 of the Motion. It has explained not only the legal authority, but also the mitigating factors and the reasons for reducing the potential statutory and rule based fines to \$300.00.

16. All of the conditions required prior to taking the serious step of entering a default judgment have been meet here.

a. The Complaint was filed on June 12, 2024 and duly served upon Respondent.

- b. The Motion for Entry of Default Judgment was filed on August 5, 2024 and also duly served on Petitioner.
- c. No Answer or other pleading of any kind has been filed by said Respondent as required by law.
- 17. Therefore, default is hereby entered against Respondent. A separate

Judgment shall issue in the amount of \$300.00.

SO ORDERED this 10th day of September 2024.

Only.

Macon Cowles, Hearing Officer

Denver, CO 80290		
ELECTIONS DIVISION OF THE SECRETARY OF STATE,	COURT USE ONLY	
Complainant, vs.		
RALENE FOR D49,	Case Number: 2024 AHO 0023	
Respondent.		
DEFAULT JUDGMENT		

THE DEFAULT OF RESPONDENT RALENE FOR D49 has been entered this day for

its failure to appear and defend against alleged violations of Colo. Const. art. xxviii and the

Colorado Fair Campaign Practices Act. See §1-45-101, et seq., C.R.S. The Elections

Division of the Secretary of State of Colorado is entitled to statutory and Campaign

Finance Rule mandated fines in the amount of \$300.00.

Default Judgment is hereby entered against Respondent Ralene for D49 in the

amount of \$300.00.

SO ORDERED this 10th day of September 2024.

Macon Cowles, Hearing Officer