STATE OF COLORADO IN THE OFFICE OF THE SECRETARY OF STATE

ELECTIONS DIVISION OF THE SECRETARY OF STAT

Complainant,

vs.

KIRK4KIDS, ET AL.,

Respondents.

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into between the Elections Division of the Colorado Secretary of State ("Division"), Kirk4Kids ("Respondent Kirk4Kids"), BoydForBoard ("Respondent BoydforBoard"), Briah for TSD BOE ("Respondent Briah for TSD BOE"), and Densie for TSD ("Respondent Denise for TSD"), (collectively "Respondents").

Recitals

- A. Dawn Kirk was a candidate for school Board Director in Thompson R2-J School District in the November 2023 election and Respondent Kirk4Kids was her candidate committee registered with the Colorado Secretary of State.
- B. Stu Boyd was a candidate for school Board Director in Thompson R2-J School District in the November 2023 election and Respondent BoydforBoard was his candidate committee registered with the Colorado Secretary of State.
- C. Briah Freeman was a candidate for school Board Director in Thompson R2-J School District in the November 2023 election and Respondent Briah for TSD BOE was her candidate committee registered with the Colorado Secretary of State.
- D. Denise Chapman was a candidate for school Board Director in Thompson R2-J School District in the November 2023 election and Respondent Denise for TSD was her candidate committee registered with the Colorado Secretary of State.
- E. During the course of the 2023 campaign, Respondents entered into a cost sharing agreement each candidate committee paid 1/4th of the cost of

electioneering communications; specifically, 15 banners, 3,500 door hangars, 2,500 rack cards and 10 newspaper ads. All of these communications asked voters to support all four of the candidates.

- F. As the costs were shared equally among the four candidate committees, each of these communications required a "paid for by" disclaimer that included all four candidate committees and their respective registered agents.
- G. Each communication included a "paid for by" disclaimer; however, each of these disclaimers was noncompliant.
- H. None of the disclaimers included all four candidate committees and all four registered agents.
- I. Respondents cooperated with the Division's investigation, including by sharing receipts, invoices, and spreadsheets that enabled the Division to identify the scope of Respondents' total spending and the violation at issue.
- J. Nothing in the Division's investigation suggested an intent to mislead the electorate. Instead, Respondents attempted to inform the public by including a "paid for by" disclaimer, although non-compliant, on all of their electioneering communications.
- K. The Division will be filing a complaint with the Administrative Hearing Officer (the "Administrative Proceedings") but will dismiss that complaint upon approval of this settlement agreement.
- L. The Division and Respondents 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. 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 Respondents.

Section 2. Payment of Stipulated Penalty

A. Within 14 days of receipt of an invoice from the Division, Respondent Kirk4Kids shall pay \$24.02 to the Division.

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

Respondent Kirk4Kids spent \$800.62 on communications that did not include compliant "paid for by" disclaimers. The disclaimers were not cured prior to the election. Therefore, the rule calls for a penalty of 10% of the cost of the communications, or \$80.06.

However, the Division finds mitigating circumstances here. The communications at issue did include disclaimers that said "Paid for by Kirk4Kids", but did not include the registered agent. This demonstrates that Respondent Kirk4Kids lacked any intent to mislead the electorate. Additionally, Respondent Kirk4Kids fully cooperated with the Division's investigation, most notably by providing significant documentation regarding their overall spending. Not only did this enable the Division to understand the scope of the violation, but it also demonstrates that Respondent Kirk4Kids lacked any intent to mislead election officials.

Accordingly, the Division finds that a penalty of \$24.02 - 3% of the cost of the relevant communications – is sufficient to further the purposes of Colorado campaign finance law.

B. Within 14 days of receipt of an invoice from the Division, Respondent BoydforBoard shall pay \$35.43 to the Division.

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

Respondents BoydforBoard spent \$1,180.89 on communications that did not include compliant disclaimers. The disclaimers were not cured prior to the election. Therefore, the rule calls for a penalty of 10% of the cost of the communications, or \$118.09.

However, the Division finds mitigating circumstances here. A majority of the communications at issue did include disclaimers that said "Paid for by BoydforBoard", but did not include the registered agent. This demonstrates that Respondent BoydforBoard lacked any intent to mislead the electorate. Additionally, Respondent BoydforBoard fully cooperated with the Division's investigation, most notably by providing significant documentation regarding their overall spending. Not only did this enable the Division to understand the scope of the violation, but it also demonstrates that Respondent BoydforBoard lacked any intent to mislead election officials.

Accordingly, the Division finds that a penalty of \$35.43 – 3% of the cost of the relevant communications – is sufficient to further the purposes of Colorado campaign finance law.

C. Within 14 days of receipt of an invoice from the Division, Respondent Briah for TSD BOE shall pay \$33.61 to the Division.

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

Respondent Briah for TSD BOE spent \$1,120.29 on communications that did not include compliant disclaimers. The disclaimers were not cured prior to the election. Therefore, the rule calls for a penalty of 10% of the cost of the yard signs, or \$112.03.

However, the Division finds mitigating circumstances here. A majority of the communications at issue did include a disclaimer that said "Briah for TSD BOE", but did not include the registered agent. This demonstrates that Respondent Briah for TSD BOE lacked any intent to mislead the electorate. Additionally, Respondent Briah for TSD BOE fully cooperated with the Division's investigation, most notably by providing significant documentation regarding their overall spending. Not only did this enable the Division to understand the scope of the violation, but it also demonstrates that Respondent Briah for TSD BOE lacked any intent to mislead election officials.

Accordingly, the Division finds that a penalty of \$33.61 - 3% of the cost of the relevant communications – is sufficient to further the purposes of Colorado campaign finance law.

D. Within 14 days of receipt of an invoice from the Division, Respondent Denise for TSD shall pay \$35.43 to the Division.

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

Respondent Denise for TSD spent \$1,180.89 on communications that did not include compliant disclaimers. The disclaimers were not cured prior to the election. Therefore, the rule calls for a penalty of 10% of the cost of the yard signs, or \$112.03.

However, the Division finds mitigating circumstances here. A majority of the communications at issue did include a disclaimer that said "Paid for by Denise for TSD", but did not include the registered agent. This demonstrates that Respondent Denise for TSD lacked any intent to mislead the electorate. Additionally, Respondent Denise for TSD fully cooperated with the Division's investigation, most notably by providing significant documentation regarding its overall spending. Not

only did this enable the Division to understand the scope of the violation, but it demonstrates that Respondent Denise for TSD lacked any intent to mislead election officials.

Accordingly, the Division finds that a penalty of \$35.43 – 3% of the cost of the relevant communications – is sufficient to further the purposes of Colorado campaign finance law.

E. If Respondents 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

Respondents agree to comply with Colorado law relating to disclaimer statements 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

Respondents admit that they did not include compliant disclaimer statements on all of their electioneering communications.

Section 6. Release and Covenant Not to Sue

Respondents, for themselves, their agents, assigns, representatives, attorneys, and subrogees, release and forever discharge 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. Respondents further expressly agree and covenant that they 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

Respondents expressly waive 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

Respondents understand and agree 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 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

Respondents 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.

DATE DATE By: Alex Gentry Campaign Finance Enforcement Analyst KIRK4KIDS LI/29/COLU DATE By: Dawn Kirk BOYDFORBOARD By: Stu Boyd

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ELECTIONS DIVISION OF THE SECRETARY OF STATE

DATE	By: Alex Gentry Campaign Finance Enforcement Analyst
KIRK4KIDS	
DATE	By: Dawn Kirk
BOYDFORBOARD	
<u>04-12-2024</u> DATE	Stu Dryd By: Stu Boyd

BRIAH FOR TSD BOE

4.17.24	Wial Heeman
DATE	By: Briah Freeman
DENISE FOR TSD	
DATE	By: Denise Chapman
ADOPTED AND APPROVED BY:	
DATE	By: Christopher P. Beall
	Deputy Secretary of State

BRIAH FOR TSD BOE	
DATE	By: Briah Freeman
DENISE FOR TSD	
4 27 2024 DATE	Dervile () apprar By: Denise Chapman
ADOPTED AND APPROVE	D BY:

May 8, 2024

DATE

By: Christopher P. Beall Deputy Secretary of State