



Colorado
Secretary of State

**Campaign and Political
Finance**



Lawn Chair Chat

November 30, 2022

Welcome!

Topics:

- Unexpended Campaign Contributions,**
- Rollover Funds, and**
- Termination reports**



- **What are the reporting deadlines for 2023?**

We'll post the Calendars on the [Filing Calendars](#) page of the Secretary of State's website in mid-December. The reports will also be added directly to your TRACER account.

If you'd like to get an idea of what the filing schedule will look like before it's posted, you may visit the Filing Calendars page and look at past years' filing calendars (e.g., 2021 or 2019). You may also review 1-45-108(2), C.R.S.

Colorado Campaign and Political Finance



**Colorado Secretary of State's Office
Presented by
Campaign & Political Finance
Support Team
November 30, 2022**



Colorado Secretary of State

Disclaimer

The Colorado Secretary of State's office does not provide legal advice.

Information contained in this presentation is for reference purposes only and is not a substitute for legal advice and actual knowledge of campaign finance laws and regulations.

Topics for Discussion



- Unexpended Campaign Contributions
- Termination reports
- Carryover/Rollover of funds for candidate committees



Definitions of Key Terms

- **Election cycle:**
 - **Candidate / Candidate committees:** Starts the thirty-first day after a general election for a specific office and ends thirty days after the next general election for that office. (Article XXVIII, Section 2(6) of the Colorado Constitution)
 - **Issue committees:** Based on a calendar year – January 1st through December 31st. (Campaign and Political Finance Rule 4.5)
- **Unexpended campaign contributions**
 - Funds on hand in any candidate committee at the end of an election cycle, less the amount of all unpaid monetary obligations incurred prior to the election in furtherance of such candidacy. (Article XXVIII, Section 2(15) of the Colorado Constitution)



Definitions of Key Terms

- **Campaign and Political Finance Rule 10.1 further defines Unexpended campaign contributions:**
 - **Candidate committees:** funds at the end of the election cycle **or** when a candidate withdraws from the political race and intends to terminate his or her candidate committee.
 - **Issue committees:** contributions to an issue committee become unexpended contributions at the end of the election cycle in which the committee supported or opposed a ballot measure, or one that attempted access to the ballot. Funds do not become unexpended contributions if the issue committee supports or opposes, or intends to support or oppose, another ballot measure or measures.



Candidate Committees

Unexpended Campaign Contributions

What can a candidate committee do with their unexpended funds?

Candidate Committees (1-45-106(1), C.R.S.)

Reimburse candidate for their expenditures

Note: This includes reasonable and necessary expenses for the care of children or other dependents the candidate incurs directly in connection with the candidate's campaign activities.

Retain for use in a subsequent campaign/election (subject to limitations - see CPF Rule 2.2.4)

Contributed to a candidate committee established by the same candidate for a different public office (subject to the limitations – see CPF Rule 2.2.4)

Contribute to the political party (subject to contribution limits – see CPF Rule 10.17)

Return to contributors

Donate to a charitable organization recognized by the IRS



Candidate Committees - Continued

Unexpended Campaign Contributions

What can a candidate committee do with their unexpended funds?

Candidate Committees (1-45-106(1), C.R.S.) – A person elected to a public office may also use unexpended campaign contributions for:

Voter registration

Political issue education, which includes obtaining information from or providing information to the electorate

Postsecondary educational scholarships

Defraying reasonable and necessary expenses related to mailings and similar communications to constituents

Any expenses that are directly related to such person's official duties as an elected official, including, but not limited to, expenses for the purchase or lease of office equipment and supplies, room rental for public meetings, necessary travel and lodging expenses for legislative education such as seminars, conferences, and meetings on legislative issues, and telephone and pager expenses.



Contribution (Donation) Limits made to a Political Party

Contributors	Limits (are based on a calendar year)
Individual or Political Committee	\$4,025 (State, county, district, & local levels combined of which not more than \$3,350 may be given to the state party)
Candidate Committee	\$4,025 (State, county, district, & local levels combined of which not more than \$3,350 may be given to the state party)
Business Entity (Other than a corporation)	\$4,025 (State, county, district, & local levels combined of which not more than \$3,350 may be given to the state party)
Federal PAC or Federal 527 Political Organizations	\$4,025 (State, county, district, & local levels combined of which not more than \$3,350 may be given to the state party)
Small Donor Committee	\$20,325 (State, county, district, & local levels combined of which not more than \$16,925 may be given to the state party)



Candidate Committees - Continued

Unexpended Campaign Contributions

What is a candidate committee NOT allowed do with their unexpended funds?

Use the funds for personal purposes (not reasonably related to supporting the election of the candidate)

Contribute to other candidate committees at any level (local, county, state, or federal)



Issue Committees

Unexpended Campaign Contributions

What can an Issue Committee or Small-Scale Issue Committee do with their unexpended funds?

Issue Committees (1-45-106(3), C.R.S.)

Return to contributors

Donate to a charitable organization recognized by the IRS





Other Committees

Unexpended Campaign Contributions

- **What about other committees and unexpended funds?**

The law does not define unexpended funds for other types of committees.

When these committees are terminating, we suggest the funds be disbursed with the committee's purpose in mind and use 1-45-106, C.R.S. as a guide.

Termination Report

A termination report closes a committee/party and may only be filed once the committee/party has reached a zero-dollar balance, which includes resolving any outstanding loans, penalties, or any other financial obligations.

Also, a termination report is filed using one of the regularly scheduled disclosure reports.

Before continuing, please indicate if you intend for this to be a Termination Report. It is required that the report have an ending monetary balance of zero (line 5).

Is this a Termination Report?
 No Yes

Committees should not terminate if there are any outstanding obligations. Does this committee have any outstanding obligations or monies owed to lenders and vendors?
 No Yes

Do you wish to terminate the candidate COUNTY CANDIDATE at this time?
 No Yes

File Report of Contributions and Expenditures

Detailed Summary	
Committee: TEST COUNTY CANDIDATE COMMITTEE FOR COMMISSIONER 1234	Financial Institution: TEST BANK 1234 MAIN
Type: GRAND JUNCTION, CO 80000 Candidate: CANDIDATE Committee COUNTY CANDIDATE	Committee SOS ID: GRAND JUNCTION CO 80000 20205037980 Committee Registered Agent: KRISTY COUNTY
Reporting Period Covered: 10/26/2020 through 11/28/2020 Report Due: 12/03/2020	
This is a regularly scheduled filing.	
1. Funds on Hand at Beginning of Reporting Period (monetary only) <input type="text" value="0.00"/>	6. Itemized Monetary Contributions \$0.00
2. Total Monetary Contributions (Line 11) \$0.00	7. Non-Itemized Monetary Contributions and Non-Aggregated Receipts \$0.00
3. Total Monetary Contributions plus Beginning Amount (Lines 1 + 2) \$0.00	8. Loans Received \$0.00
4. Total Monetary Expenditures (Line 18) \$0.00	9. Total of Other Receipts \$0.00
5. Funds on Hand at End of Reporting Period (monetary only) <input type="text" value="0.00"/>	10. Returned Contributions \$0.00
Combined Total of Loan Balances <input type="text" value="0.00"/>	11. Total Monetary Contributions (Total Lines 6-10) \$0.00
	12. Total Non-Monetary Contributions \$0.00
	13. Total Contributions \$0.00
View Report Details View Itemized Contributions View Itemized Expenditures View Loans View Returns	14. Itemized Monetary Expenditures \$0.00
	15. Non-Itemized Monetary Expenditures \$0.00
	16. Loan Repayments Made \$0.00
	17. Returned Expenditures \$0.00
	18. Total Monetary Expenditures (Total Lines 14-17) \$0.00
	19. Total Coordinated Non-Monetary Expenditures \$0.00
	20. Total Expenditure \$0.00
I declare under penalty of perjury that to the best of my knowledge or belief that all contributions or donations received during the reporting period, including contributions or donations received in the form of membership dues transferred by a membership organization, are from permissible sources.	
<input type="button" value="Preview"/>	<input type="button" value="File"/> <input type="button" value="Cancel"/>



Poll Question



Carryover / Rollover of Candidate Committee Funds

- When a candidate committee reaches the end of an election cycle and decides to remain open, the committee must report its retained balance as the beginning balance in the next election cycle. This balance becomes a political party contribution to the candidate committee for the new election cycle and is thus subject to the applicable political party contribution limit if a limit applies.
- Campaign and Political Finance Rule 2.2.4 allows a candidate committee to carryover / rollover funds in excess of the political party contribution limit; **however**, the use of those excess funds is restricted to unexpended fund activity as outlined in 1-45-106(1)(b), C.R.S.
- Rule 2.2.4 also requires a candidate committee, to disclose on its first regularly scheduled report in the new election cycle the amount it designated as a political party contribution (for general use in the new election cycle) and the amount designated as “Unexpended Funds”, if there are any.



What a Political Party may give to candidate committees

Contributions to candidate committees by the Political Party	Amount (for the election cycle of the office sought)
Governor / Lt. Governor combined* (4yr.)	\$679,025
Secretary of State* (4 yr.)	\$135,775
Attorney General* (4 yr.)	\$135,775
State Treasurer* (4 yr.)	\$135,775
State Senate* (4 yr.)	\$ 24,425
State House of Representative* (2 yr.)	\$ 17,625
State Board of Education* (6 yr.)	\$ 17,625
Regent of the University of Colorado* (6 yr.)	\$ 17,625
District Attorney* (4 yr.)	\$ 17,625
County (4 yr.) (Assessor, Clerk & Recorder, Commissioner, Coroner, Sheriff, Surveyor & Treasurer)	\$ 22,125
School Director Districts (4 yr.)	\$ 2,500
RTD, special districts, and municipal candidate committees	No Limit currently under state law Municipal candidates should check with their municipal clerk

* No political party shall contribute to a candidate committee more than 20% of the Voluntary Campaign Spending limit, if applicable. The above amounts reflect the 20% limit.

Carryover/Rollover Example of \$30,000

Office/District	Political Party Limit (within an Election Cycle)	Rollover Political Party Contribution (general use)	Unexpended Funds (only for unexpended fund activity)
State Offices			
Governor / Lt. Governor (combined)	\$679,025	\$30,000	\$0
Secretary of State	\$135,775	\$30,000	\$0
Attorney General	\$135,775	\$30,000	\$0
State Treasurer	\$135,775	\$30,000	\$0
State Senate	\$ 24,425	\$24,425	\$ 5,575
State House of Representatives	\$ 17,625	\$17,625	\$12,375
State Board of Education	\$ 17,625	\$17,625	\$12,375
CU Regent	\$ 17,625	\$17,625	\$12,375
District Attorney	\$ 17,625	\$17,625	\$12,375
Regional Transportation District	Unlimited	\$30,000	\$0
County Offices			
Assessor	\$ 22,125	\$22,125	\$ 7,875
Clerk & Recorder	\$ 22,125	\$22,125	\$ 7,875
Commissioner	\$ 22,125	\$22,125	\$ 7,875
Coroner	\$ 22,125	\$22,125	\$ 7,875
Sheriff	\$ 22,125	\$22,125	\$ 7,875
Surveyor	\$ 22,125	\$22,125	\$ 7,875
Treasurer	\$ 22,125	\$22,125	\$ 7,875
School Board	\$ 2,500	\$ 2,500	\$27,500
Special District	Unlimited	\$30,000	\$0



Basic Three steps reporting the Carryover/Rollover

Candidate committees, with their first report in the new election cycle, need to “zero” out it’s balance in TRACER and show it coming back in so TRACER can account for the political party contribution and unexpended funds (if there are any).

Three quick steps:

1. Enter an itemized expenditure to the committee itself (to zero out the balance),
2. Enter an itemized contribution from the political party, and
3. If unexpended funds are rolled over, enter an itemized contribution from the committee itself for the amount of the unexpended fund total.

There's more? What else?



Maintenance / Retention of Records

- A committee/party must maintain their records for 180 days after the election, unless a complaint is filed then records must be maintained until final disposition of the complaint.
 - Covered Organization Affirmations must be kept for 1 year from receipt
 - LLC Affirmations must be kept for 1 year from after the election

Registration changes

- Within 10 days of a change the registration must be amended to reflect the change. This includes, but is not limited to, information about the committee's purpose, agents, addresses (physical & mailing), email addresses, etc.



Additional Resources

State of Colorado

<http://www.colorado.gov/>

LexisNexis by Colorado Legal Resources

<http://www.lexisnexis.com/hottopics/colorado>

Colorado General Assembly

www.leg.colorado.gov

The Independent Ethics Commission

www.colorado.gov/pacific/iec

Federal Election Commission (FEC)

www.fec.gov

Federal Communications Commission (FCC)

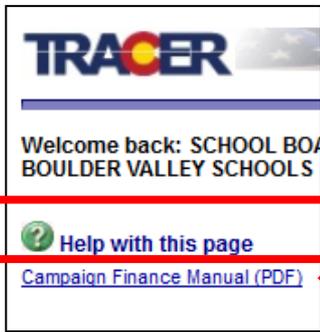
<https://www.fcc.gov/media/policy/political-programming>

Internal Revenue Service (IRS)

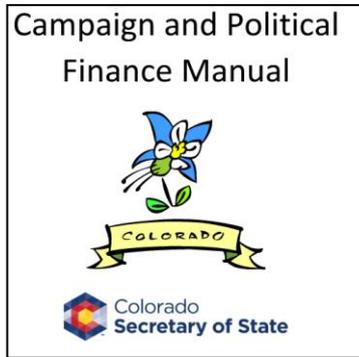
www.irs.gov

TRACER Resources

- “Help with this page” link



- [Campaign Finance Manual](#)



[Lawn Chair Chat page](#)

Lawn Chair Chats			
Hosted by the campaign finance support team.			
<p>What are lawn chair chats? These chats are informal discussions about campaign finance related topics. It's a great way to increase your knowledge or get clarification on a specific topic. If you have a topic suggestion email our campaign finance team at cfinfo@kos.state.co.us.</p>			
Upcoming chat sessions			
Date & time	Topic	Agenda & materials	Zoom meeting info
Wednesday, October 13, 2021 3:00 PM MST	CFF Hodgepodge - A review of recently asked/answered questions (from the campaign finance community)	Agenda (PDF)	Register in advance for this meeting After registering, you will receive a confirmation email containing information about joining the meeting.
Past chat sessions			
Date & time	Topic	Agenda & materials	Zoom meeting info
Wednesday, September 29, 2021 3:00 PM MST	24-hour major contributor and 48-hour independent expenditure reports	Agenda (PDF) 24-hour major contributor reports & 48-hour independent expenditure reports (PDF)	Recorded Zoom meeting (PDF)
Wednesday, September 15, 2021 3:00 PM MST	School board candidates & their candidate committees	Agenda (PDF) Presentation (PDF)	Recorded Zoom meeting (PDF)
Wednesday, August 25, 2021 3:00 PM MST	30 Minute Drop-in Open Door / Mic Session with the Colorado Campaign Finance Support Team	Agenda (PDF) Open door/mic session questions (PDF)	Recorded Zoom meeting (PDF)
Wednesday, August 11, 2021 3:00 PM MST	TRACER: Public Searches, Reports and Resources	Agenda (PDF)	Recorded Zoom meeting (PDF)
Wednesday, July 28, 2021 3:00 PM MST	Disclaimer / paid for statements	Agenda (PDF) Review of the Colorado Campaign Finance Guidance on	Recorded Zoom meeting (PDF)

- Help page results

Viewing a Candidate or Committee

You can access the Candidate/Committee Overview page to view the account status, transaction history reports due, file a report that is due, add or modify a penalty or waiver, and request a waiver.

Tasks

[To access the Candidate/Committee Overview page:](#)

1. Perform the steps for [Searching for a Candidate or Committee](#).

The Candidate/Committee Search Results page is displayed.

2. Click the link in the Candidate/Committee Name column of the data grid for the Candidate

- [Learn to Use TRACER webinars](#)

Learn to Use TRACER

The campaign finance support team has created web based navigate and work within **TRACER**. These webinars are simple and/or videos, with verbal instructions, showing the various webinars are available 24/7 for your convenience. Many of to all committee types and the majority of webinars are not webinars are shown at the end of each link.

For Registered Users:

- [R1. Accessing Your Workspace for the First Time \(6:29\)](#)
- [R2. Workspace Tour \(4:25\)](#)
- [R3. Updating a Candidate Affidavit \(6:43\)](#)
- [R4. Update Committee Registration & Agents \(6:59\)](#)
- [R5a. Contributions - Adding \(16:30\)](#)



Questions



THANK YOU FOR COMING

Campaign Finance Support

303-894-2200

Select Option 3, then 1

CPFHelp@coloradosos.gov

[Campaign Finance Home Page](#)

[Campaign Finance Manual](#)

[TRACER Home](#)



- **Are loans any different than donations in termination?**
 - A **loan(s) from a financial institution** may not be forgiven and needs paid back before a termination report may be filed.
 - A **loan(s) a candidate makes to their own candidate committee** may be paid back to the candidate or the candidate may forgive the loan(s). A loan(s) is converted to a contribution in TRACER when the Forgive button (on the *Loans* tab) is used.
- **Can there be expenditures after election day?**

Yes.



• Why are the transactions I entered into TRACER not showing up on my report?

This happens when the date of the transaction(s) is not within the reporting period of the report being filed.

Reports Due

Report	Period Begin	Period End	Due Date	Status	Action
OCTOBER 18, 2021 - REPORT OF CONTRIBUTIONS AND EXPENDITURES	9/30/2021	10/13/2021	10/18/2021	Not Filed	View/File Nothing to Report
NOVEMBER 1, 2021 - REPORT OF CONTRIBUTIONS AND EXPENDITURES	10/14/2021	10/27/2021	11/1/2021	Not Filed	
DECEMBER 2, 2021 - REPORT OF CONTRIBUTIONS AND EXPENDITURES	10/28/2021	11/27/2021	12/2/2021	Not Filed	

The report period ends on October 13, 2021 but the pending contribution has a date of October 14, 2021. The pending contribution will be included in the next report period's report (due November 1, 2021).

Pending Contribution

Contributor	Contributor Type	Contribution Type	Receipt Date	Receipt Type	Amount	Filed Date	Offset	Amended	
JANE DOE	Individual	Monetary (Itemized)	10/14/2021	check	\$75.00		No	No	Update Delete Return NSF



- **How long can one hold funds in a candidate committee account, to use for a future race?**

Nine years.

Colorado Revised Statute 1-45-106(1)(a)(III), states:

“A candidate committee for a former officeholder or a person not elected to office shall expend all of the unexpended campaign contributions retained by such candidate committee, for the purposes specified in this subsection (1), no later than nine years from the date such officeholder's term expired or from the date of the election at which such person was a candidate for office, whichever is later.”



- **If funds are rolled over and then in the future the candidate decides not to run, can the committee be terminated at that time?**

Yes. A committee may terminate at anytime so long as there is no:

- outstanding debts,
- obligations,
- penalties, or
- open complaints.