

<p>STATE OF COLORADO SECRETARY OF STATE ADMINISTRATIVE HEARING OFFICER 1700 Broadway #550 Denver, CO 80290</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>BEFORE THE SECRETARY OF STATE, COLORADO DEPARTMENT OF STATE, in re ED 2022-109, 2022- 110, 2022-111, 2022-112, 2022-115, 2022-116, and 2022-117</p> <p>ELECTIONS DIVISION OF THE SECRETARY OF STATE,</p> <p>Complainant,</p> <p>vs.</p> <p>COLIN LARSON; COLIN FOR COLORADO; RESTORE COLORADO LEADERSHIP FUND IEC, RESTORE COLORADO LEADERSHIP FUND 527; DANIEL COLE, COLE COMMUNICATIONS, LLC; and VICTOR’S CANVASSING, LLC.</p> <p>Respondents.</p>	
<p>Attorney for Respondents: Suzanne M. Taheri, #23411 WEST GROUP LAW & POLICY 6501 E. Belleview Ave, Suite 375 Englewood, CO 80111 Phone Number: (303) 263-0844 Email: st@westglp.com</p>	<p style="text-align: center;">ANSWER</p>

Respondents Colin Larson and Colin for Colorado, through the undersigned counsel, without waiving Respondent’s prior challenge to jurisdiction, hereby submit this Answer to the Complaint filed by the Election Division of the Secretary of State for the above-caption matters.

BACKGROUND

1. Colorado law caps the amount a candidate or candidate committee can receive in contributions from any person.

ANSWER: This claim is a legal conclusion that does not require an admission or denial.

2. Although a person may make independent expenditures in support of those candidates or committees, those expenditures must not be coordinated with the candidate. Otherwise, those expenditures are no longer “independent,” and are subject to the cap on contributions.

ANSWER: This claim is a legal conclusion that does not require an admission or denial.

3. Here, Colin Larson, his candidate committee, an independent expenditure committee he controlled, and a 527 he raised money for all used Daniel Cole and his companies to provide campaign consulting services. At the same time, Cole was consulting for multiple committees that were making independent expenditures to support Larson’s election to the Colorado House, and lacked firewalls to prevent the dissemination of information obtained from Larson to the committees making the independent expenditures.

ANSWER: Colin Larson and Colin for Colorado admit they used one of Daniel Cole’s Companies to provide a single text message service during their primary campaign. Larson denies that the text message contained any non-public informatin about the candidate or that that that any non-public information was obtained.

Respondents’s have no information about the activities of Cole consulting as he was not coordinating with Cole Consulting and has no information about the internal operation of the company.

4. On information and belief, these expenditures were improperly coordinated with Larson through Cole, and were not reported by Larson’s candidate committee as contributions.

ANSWER: Colin Larson and Colin for Colorado deny the allegations in Paragraph 4 of the Complaint. Larson asserts he had no access to accounts, payments, checks etc. Colin Larson and Colin for Colorado asserts that Former Minority Leader Hugh McKean, who passed away October 30, 2022, had “controlled” both of these entities.

5. Accordingly, the Division brings this complaint for appropriate relief.

ANSWER: Colin Larson and Colin for Colorado do not possess information adequate to admit or deny paragraph 5.

PARTIES

6. Complainant is the Elections Division (“Division”) of the Colorado Secretary of State.

ANSWER: Colin Larson and Colin for Colorado do not possess information adequate to admit or deny paragraph 6.

7. Respondents are Colin Larson; Colin for Colorado, Restore Colorado Leadership Fund IEC, Restore Colorado Leadership Fund 527, Daniel Cole, Cole Communications, LLC, and Victor’s Canvassing, LLC.

ANSWER: Colin Larson and Colin for Colorado admit the allegation in Paragraph 7.

JURISDICTION AND VENUE

8. The Division has jurisdiction under § 1-45-111.7.

ANSWER: Colin Larson and Colin for Colorado deny paragraph 8.

9. The Division files this complaint with a hearing officer consistent with § 1-45-111.7(5)(a)(IV), (6).

ANSWER: Colin Larson and Colin for Colorado deny paragraph 9.

10. This complaint is timely filed within fourteen business days of the Deputy Secretary’s May 1, 2023, Order Granting in Part and Denying in Part Motion to Dismiss and Remanding for a Hearing according to § 1-45- 111.7(5)(a)(IV).

ANSWER: Colin Larson and Colin for Colorado deny paragraph 10.

11. Venue is proper before the hearing officer under § 1-45-111.7(5).

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 11.

ALLEGATIONS

12. During the 2022 election cycle, Colin Larson was the state representative for House District 22. Due to redistricting, he was seeking reelection in a different district, House District 25. Colin for Colorado was the name of Larson’s candidate committee, ID #: 20225043118.

ANSWER: Colin Larson and Colin for Colorado admit the allegation in Paragraph 12 of the Complaint.

13. Restore Colorado Leadership Fund 527 (“Respondent 527”) is the Colorado House GOP’s “leadership” fund, organized to raise money from donors with a stated purpose of “To educate and Inform Colorado Voters Regarding Candidates for the Colorado House of Representatives, Primarily Supporting Republicans and Opposing Democrats.” The Restore Colorado Leadership Fund IEC (“Respondent IEC”) is an independent expenditure committee that received a substantial portion of its funds in 2022 from Respondent 527. On information and belief, Larson was involved in overseeing Respondent IEC’s activities during the 2022 election cycle.

ANSWER: Colin Larson and Larson for Colorado admits “Restore Colorado Leadership Fund 527 (“Respondent 527”) is a fund organized to raise money from donors with a stated purpose of “To educate and Inform Colorado Voters Regarding Candidates for the Colorado House of Representatives, Primarily Supporting Republicans and Opposing Democrats.” The Restore Colorado Leadership Fund IEC (“Respondent IEC”) is an independent expenditure committee that received a portion of its funds in 2022 from Respondent 527.

Colin Larson and Larson for Colorado admits he was involved in some of Respondent IEC’s activities during the 2022 election cycle but lacks sufficient knowledge to admit or deny if he was aware of all activities.

Colin Larson and Larson for Colorado are without knowledge to admit or deny the remainder of the allegations.

14. Daniel Cole is the owner and registered agent of both Cole Communications, LLC and Victor’s Canvassing LLC (collectively, “Cole”). During the 2022 election cycle, Cole worked for Colin for Colorado. Cole also served as a General Consultant for Respondent IEC and received payments from Respondent 527 during the 2022 election cycle.

ANSWER: Colin Larson and Colin for Colorado admit they used one of Daniel Cole’s Companies to provide a single text message service during their primary campaign but deny using Daniel Cole for any other consulting services during their primary campaign or in any capacity during his general election campaign. Colin Larson and Colin for Colorado are without information as to who owns Cole Communications.

15. Cole also provided consulting services during the 2022 election to at least two other entities that supported Larson’s election: Unite for Colorado Action IEC (“Unite IEC”) and Ready Colorado Action Fund (“Ready Colorado”).

ANSWER: Colin Larson and Colin for Colorado lack sufficient knowledge to admit or deny the allegation in Paragraph 15.

16. On information and belief, during most of the 2022 election cycle Respondent IEC’s actions were primarily directed by Representative Hugh McKean, then the Minority Leader of the Colorado State House of Representatives. McKean passed away on October 30, 2022. His passing occurred less than two weeks before the 2022 General Election.

ANSWER: Colin Larson and Colin for Colorado are without sufficient information to admit or deny Hugh McKean’s activity prior to his death. Respondent Colin Larson and Larson for Colorado admit the remaining allegations in Paragraph 16 of the Complaint.

17. In the wake of Leader McKean’s passing, Rep. Larson took over leadership of Respondent IEC, providing high-level direction on which Colorado State House races Respondent IEC would make expenditures. Larson also raised funds for Respondent 527, and Larson worked alongside Cole in these capacities.

ANSWER: Colin Larson and Larson for Colorado admits to raising funds for Respondent 527 and providing some direction to the IEC.

Colin Larson and Larson for Colorado are unclear what complainant means by “In the wake” or “took over leadership” and therefore lacks sufficient knowledge to admit or deny.

Colin Larson’s interaction with Daniel Cole in his capacity with RCLF IEC and RCLF 527 was very limited and denies the characterization as “worked alongside.”

18. On information and belief, Larson was involved in “oversee[ing]” Respondent IEC’s activities even prior to Leader McKean’s passing.

ANSWER: Colin Larson and Colin for Colorado admits he had some high-level input on the races that the IEC would support and denies any other allegation in paragraph 18.

19. During the 2022 election cycle, Unite IEC engaged in paid canvassing efforts in support or opposition to several candidates, including in support of Representative Larson. These efforts were accomplished through payments to Victor’s Canvassing, one of Cole’s companies.

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 19.

20. For example, on October 12, 2022, Unite IEC reported an Independent Expenditure of \$200,000 to Victor’s Canvassing for “canvassing.” According to the report, the canvassing occurred between October 15, 2022, and November 1, 2022, and supported 19 candidates, including Larson.

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 20.

21. On June 1, 2022, Ready Colorado reported \$17,868 in independent expenditures supporting Larson. On June 9, 2022, Ready Colorado reported \$14,818 in independent expenditures supporting Larson.

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 21.

22. In October 2022, Ready Colorado reported \$50,146 in independent expenditures opposing Larson’s general election opponent, Tammy Story. For both the June and October expenditures, the payee was “Axiom Strategies.”

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 22.

23. Accordingly, during the 2022 election cycle, Cole performed work for the following entities:

- a. Colin for Colorado: Colin for Colorado reported on expenditure of \$726.10 to “Cole Communications” on July 1, 2022. On information and belief, this payment was for one “get out the vote” text message in support of Larson’s campaign in the 2022 Republican primary election for the House District 25.
- b. Respondent IEC: Respondent IEC reported \$140,000 in expenditures to Victor’s Canvassing between October 26, 2022, and October 31, 2022.
- c. Respondent 527: Respondent 527 reported \$89,276.20 in expenditures to Cole Communications during the 2022 election cycle, including \$7,000 on November 29, 2022.
- d. Unite IEC: Unite IEC reported \$1,026,579.29 in expenditures to Victor’s Canvassing in 2022, including \$53,104.20 on November 5, 2022.
- e. Ready Colorado: Ready Colorado reported \$80,000 in expenditures to Victor’s Canvassing on October 26, 2022.

ANSWER: Colin Larson and Colin for Colorado admits to subsection (a), and lacks sufficient knowledge to admit or deny the remaining allegations in Paragraph 23.

24. Meanwhile, during the 2022 election cycle Larson:

- a. Consulted with Cole through Larson’s candidate committee;
- b. Took over high level direction of Respondent IEC, working alongside Cole, and was involved in fundraising for Respondent 527;
- c. Received independent expenditure support from Unite IEC and Ready Colorado, both of whom were also paying Cole.

ANSWER: Colin Larson and Colin for Colorado deny paragraph a and lack sufficient knowledge to admit or deny the allegation in Paragraph 24.

25. During the 2022 election cycle, the relationship between these entities caused administrative problems.

ANSWER: This is an opinion, Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 25.

26. On October 26, 2022, Axiom Strategies sent Respondent IEC an invoice, which included a line item of \$8,882 for mailers supporting Larson. Katie Kennedy, Respondent IEC's Registered Agent, paid the invoice.

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 26.

27. The next day, Tyler Sandberg, on information and belief a consultant with Respondent IEC, emailed Axiom and Kennedy to indicate that the invoice was "incorrect," because "it lists a mailer – Larson G03 – that is supposed to be charged to Ready Colorado Action Fund IEC, not Restore Colorado Leadership Fund (RCLF)."

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 27.

28. Sandberg continued: "That's an issue because Rep. Larson oversees RCLF and thus the IE cannot be spending on his race."

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 28.

29. On information and belief, the "IE" Sandberg is referencing is Respondent IEC.

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 29.

30. This email was sent three days before Leader McKean's passing.

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 30.

31. This email demonstrates the high level of interconnectedness between the various Cole entities, as even their registered agents confused their identities.

ANSWER: This is an opinion, Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 31.

32. On information and belief, Axiom responded to Sandberg's note by crediting Respondent IEC's account, and invoicing Ready Colorado. Kennedy also updated Respondent IEC's TRACER filings to reflect the credit applied.

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 32.

33. Taken together, the interconnectedness of these entities, combined with the circumstances surrounding the Axiom mailer, suggest that Ready Colorado's and Unite IEC's expenditures in support of Larson during the 2022 election cycle were coordinated with Larson through the use of a common consultant, Cole.

ANSWER: This is an opinion, Colin Larson and Colin for Colorado denies the allegation in Paragraph 33.

34. Through his work for Larson's candidate committee, and alongside Larson on behalf of Respondent IEC, on information and belief Cole obtained material, nonpublic information about Larson's campaign plans, projects, activities, and needs.

ANSWER: Colin Larson and Colin for Colorado deny the allegation in Paragraph 34 of the Complaint and reiterate that they used one of Daniel Cole's Companies to provide a single text message service during their primary campaign but deny using Daniel Cole for any other consulting services during their primary campaign or in any capacity during their general election campaign.

35. Meanwhile, Cole provided services to Ready Colorado and Unite IEC, both of whom made substantial expenditures in support of Larson's candidacy.

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 35.

36. And, on information and belief, Cole employed no written policies to ensure that non-public information was not transmitted between the various entities he worked on behalf of.

ANSWER: Colin Larson and Colin for Colorado lacks sufficient knowledge to admit or deny the allegation in Paragraph 36.

COLORADO CAMPAIGN FINANCE LAW

37. Colorado law requires all candidate committees to "report to the appropriate officer their contributions received, including the name and address of each person who has contributed twenty dollars or more; [and] expenditures made[.]" § 1-45-108(1)(a)(I), C.R.S. (2022).

ANSWER: Paragraph 37 is a legal conclusion that does not require a response from Colin Larson and Colin for Colorado.

38. Under Colorado law, candidate committees are prohibited from receiving contributions in excess of the legal limit. For state house races in 2022, that limit was \$200 for the primary and general elections, for a total of \$400. Colo. Const. art. XXVIII, § 3.

ANSWER: Colin Larson and Larson for Colorado deny the allegations in Paragraph 38 to the extent it is an incomplete and misleading recitation of the law.

39. Expenditures that are not controlled by or coordinated with any candidate or an agent of a candidate are “independent expenditures,” and are not considered contributions to the candidate they support. However, “[e]xpenditures that are controlled by or coordinated with a candidate or candidate’s agent are deemed to be both contributions by the maker of the expenditures, and expenditures by the candidate committee.” Colo. Const. art. XXVIII, § 2 (9).

ANSWER: Colin Larson and Colin for Colorado deny the allegations in Paragraph 39 to the extent it is an incomplete and misleading recitation of the law.

40. “Any expenditure or spending on a covered communication that is controlled by or coordinated with a candidate or candidate's agent or a political party is considered both a contribution by the maker of the expenditure or spending, and an expenditure by the candidate committee.” § 1-45-108(8)(a), C.R.S. (2022).

ANSWER: Colin Larson and Colin for Colorado deny the allegations in Paragraph 40 to the extent it is an incomplete and misleading recitation of the law.

41. “Expenditures or spending are coordinated with a candidate committee . . . if:
- a. A person makes an expenditure or engages in spending at the request, suggestion, or direction of, in consultation with, or under the control of that candidate committee or political party; or
 - b. An independent expenditure or electioneering communication is created, produced, or distributed:
 - i. After one or more substantial discussion(s) between the candidate or political party and the person making the expenditure or engaging in the spending,
 1. In which the person making the expenditure or engaging in the spending received non-public information about the candidate or political party's plans, projects, activities, or needs; and
 2. The information is material to the creation, production, or dissemination of an independent expenditure or electioneering communication; or
 - ii. By a common consultant who provides, or has provided during the election cycle, professional services to the candidate committee or political party as well as to the person making the expenditure or engaging in the spending; and

1. In which the person making the expenditure or engaging in the spending received non-public information about the candidate or political party's plans, projects, activities, or needs; and
2. The information is material to the creation, production, or dissemination of an independent expenditure or electioneering communication.

8 CCR 1505-6, Rule 21.

ANSWER: Paragraph 41 is a legal conclusion that does not require a response from Colin Larson and Colin for Colorado.

42. Candidate committees and independent expenditure committees may employ common consultants without triggering this definition of “coordination” if “the consultant places effective barriers (i.e., firewalls) to the transmission of non-public information between” the candidate committee and the independent expenditure committee. 8 CCR 1505-6, Rule 21.1.4(a).

ANSWER: Paragraph 42 is a legal conclusion that does not require a response from Colin Larson and Colin for Colorado.

43. These barriers must be set forth in a “written policy that is distributed to all affected agents, employees, board members, directors, officers, and consultants.” 8 CCR 1505-6, Rule 21.1.4(b).

ANSWER: Paragraph 43 is a legal conclusion that does not require a response from Colin Larson and Colin for Colorado.

44. Colorado defines “Political Committees” as “any person, other than a natural person, or any group of two or more persons, including natural persons that have accepted or made contributions or expenditures in excess of \$200 to support or oppose the nomination or election of one or more candidates.” Colo. Const. art. XXVIII, § 2(12)(a).

ANSWER: Paragraph 44 is a legal conclusion that does not require a response from Colin Larson and Colin for Colorado.

45. An independent expenditure made by a committee that improperly coordinates with a candidate becomes a contribution to that candidate, Colo. Const. art. XXVIII, § 2(9), requiring the committee to register as a Political Committee.

ANSWER: Paragraph 45 is a legal conclusion that does not require a response from Colin Larson and Colin for Colorado.

46. Political Committees cannot make contributions in excess of \$400 per election cycle to any state house candidate. Colo. Const. art. XXVIII § 3(1)(b).

ANSWER: Paragraph 46 is a legal conclusion that does not require a response from Colin Larson and Colin for Colorado.

CLAIM ONE
Failure to Report Contributions and Expenditures
Colin Larson and Colin for Colorado
(§ 1-45-108(1)(a)(I), C.R.S.)

47. All preceding allegations are incorporated.

ANSWER: Colin Larson and Colin for Colorado incorporate all previous answers to Paragraphs 1 through 46 of the Complaint.

48. During the 2022 election cycle, Respondent Colin for Colorado made expenditures, and received contributions, from Ready Colorado and Unite IEC that were reported as independent expenditures.

ANSWER: Colin Larson and Colin for Colorado deny the allegation in Paragraph 48 of the Complaint.

49. On information and belief, Colin for Colorado coordinated with those entities through a common consultant, Cole.

ANSWER: Colin Larson and Colin for Colorado deny the allegation in Paragraph 49 of the Complaint.

50. Colin for Colorado neither reported those expenditures as expenditures, or as contributions from Ready Colorado and Unite IEC.

ANSWER: Colin Larson and Colin for Colorado deny the allegation in Paragraph 50 of the Complaint.

51. The Division is entitled to relief under Article XXVIII of the Colorado Constitution and the Fair Campaign Practices Act, § 1-45-101 et seq.

ANSWER: Colin Larson and Colin for Colorado deny the allegation in Paragraph 51 of the Complaint.

CLAIM TWO
Receipt of Excessive Contribution
Colin Larson and Colin for Colorado
(Colo. Const. art. XXVIII, § 3)

52. All preceding allegations are incorporated.

ANSWER: Colin Larson and Colin for Colorado incorporate all previous answers to Paragraphs 1 through 51 of the Complaint.

53. During the 2022 election cycle, Respondent Colin for Colorado received contributions from Ready Colorado and Unite IEC far in excess of \$400.

ANSWER: Colin Larson and Colin for Colorado deny the allegation in Paragraph 53 of the Complaint.

54. On information and belief, Colin for Colorado coordinated with those entities through a common consultant, Cole.

ANSWER: Colin Larson and Colin for Colorado deny the allegation in Paragraph 54 of the Complaint.

55. The Division is entitled to relief under Article XXVIII of the Colorado Constitution and the Fair Campaign Practices Act, § 1-45-101 et seq.

ANSWER: Colin Larson and Colin for Colorado deny the allegation in Paragraph 55 of the Complaint.

DEFENSES

Colin Larson and Colin for Colorado assert the following defenses to the claims.

1. The Court lacks subject matter jurisdiction for some or all claims in the Complaint, including but not limited to, because such claims time barred.
2. The Complaint fails to state a claim for which relief can be granted.
3. Colin Larson and Colin for Colorado reserves the right to designate additional defenses if disclosures or discovery reveals the existence thereof.

WHEREFORE, Colin Larson and Colin for Colorado request a ruling in its favor and the reimbursement of all fees and costs associated with the defense.

Dated: June 8, 2023

/s/ Suzanne Taheri
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CERTIFICATE OF SERVICE

I hereby certify that on this 8 day of June, 2023, a true and correct copy of the **ANSWER** was served via email to:

Peter.baumann@coag.gov

/s/ Suzanne Taheri

Suzanne Taheri

Duly signed original on file at West Group