

<p>STATE OF COLORADO SECRETARY OF STATE ADMINISTRATIVE HEARING OFFICER 1700 Broadway #550 Denver, CO 80290</p> <hr/> <p>BEFORE THE SECRETARY OF STATE, COLORADO DEPARTMENT OF STATE, <i>in re</i> ED 2024-37</p> <p>ELECTIONS DIVISION OF THE SECRETARY OF STATE,</p> <p>Complainant,</p> <p>vs.</p> <p>INDUSTRIAL PROPERTY RIGHTS,</p> <p>Respondent.</p>	<p>▲ COURT USE ONLY ▲</p> <hr/> <p>CASE NUMBER</p> <p>2024 AHO _____</p>
<p>COMPLAINT</p>	

Pursuant to § 1-45-111.7, C.R.S. (2024), the Elections Division of the Secretary of State files this complaint against Industrial Property Rights (the “Committee”).

BACKGROUND

1. To prevent circumvention of campaign finance laws, no person—including political committees—may act as a conduit for a contribution to a candidate committee.

2. Here, Industrial Property Rights, a political committee under Colorado law, acted as a conduit for a contribution from an affiliated independent expenditure committee to one or more candidate committees.

PARTIES

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

4. Respondent is Industrial Property Rights, a political committee registered with the Colorado Secretary of State, ID number 20225043935.

JURISDICTION AND VENUE

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

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

7. This complaint is timely filed within thirty days of Division's September 6, 2024, Notice of Investigation, according to § 1-45-111.7(5)(a)(IV).

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

ALLEGATIONS

9. Industrial Property Rights is a political committee. It is affiliated with an independent expenditure committee, Coloradans for Property Rights. As an independent expenditure committee, Coloradans for Property Rights is prohibited from coordinating with candidate committees, including by contribution to candidate committees.

10. On or about October 30, 2024, Industrial Property Rights wrote 8 checks for contributions to 8 separate candidate committees supporting municipal candidates in the November 7, 2023, election. The next day, Coloradans for Property Rights made a \$725 contribution to Industrial Property Rights.

11. On information and belief, when Coloradans for Property Rights made its contribution to Industrial Property Rights, both Coloradans for Property Rights and Industrial Property Rights knew that the money would be used to fund one or more of the contributions to the candidate committees.

12. On October 31, 2024, Industrial Property Rights delivered the 8 checks to the 8 candidate committees.

13. On information and belief, Coloradans for Property Rights's contribution to Industrial Property Rights was used to fund contributions to one or more of the 8 candidate committees.

14. As such, Industrial Property Rights served as a conduit for a prohibited contribution from Coloradans for Property Rights to one or more candidate committees.

15. As part of a routine TRACER flag review, the Division identified the prohibited contributions and filed a complaint against the Committee under § 1-45-111.7(7), C.R.S. The complaint alleged that the Committee had served as a conduit between Coloradans for Property Rights and one or more candidate committees.

16. The Division offered the Committee Notice and an opportunity to cure. Within the cure period, Industrial Property Rights returned the \$725 contribution to the Committee.

17. However, the Division determined that there was no substantial compliance because the contribution was returned after the election and neither entity was able to retrieve the contributions from the candidate committees.

COLORADO CAMPAIGN FINANCE LAW

18. Under Colorado law, independent expenditure committees are prohibited from coordinating their expenditures with candidate committees. Colo. Const. art. XXVIII, § 5; 8 CCR 1505-6, Rule 5.2.

19. A contribution from an independent expenditure committee to a candidate committee is a form of unauthorized coordination. 8 CCR 1505, Rule 5.2.

20. “No person shall act as a conduit for a contribution to a candidate committee.” Colo. Const. art. XXVIII, § 3(7).

CLAIM ONE Conduit (Colo. Const. art. XXVIII, § 3(7))

21. All preceding allegations are incorporated.

22. In October 2023, the Committee received a contribution from Coloradans for Property Rights. It received that contribution with the intention of using it to fund one or more prohibited contributions to candidate committees.

23. In doing so, Industrial Property Rights served as a conduit between Coloradans for Property Rights and one or more candidate committees.

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

PRAYER FOR RELIEF

WHEREFORE, the Elections Division prays for judgment and relief as follows:

- (a) Penalties to include appropriate fines as set out under Article XXVIII, section 10; and
- (b) Such other relief as is warranted by the facts and the law.

Respectfully submitted this 8th day of October, 2024.

PHILIP J. WEISER
Attorney General

/s/ Peter G. Baumann

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CERTIFICATE OF SERVICE

This is to certify that I will cause the foregoing to be served this 8th day of October, 2024, by email and/or U.S. mail, addressed as follows:

Industrial Property Rights
C/O Registered Agent Katie Kennedy
2318 Curtis St.
Denver, CO 80205
katie@strategiccompliance.com
Respondent

/s/ Peter G. Baumann