

STATE OF COLORADO
SECRETARY OF STATE
1700 BROADWAY #550
DENVER, COLORADO 80290

BEFORE THE SECRETARY OF STATE, COLORADO DEPARTMENT OF STATE,
ADMINISTRATIVE HEARING OFFICER

AHO Case No. _____

ED Case No. 2024-107

In the Matter of

ELECTIONS DIVISION OF THE SECRETARY OF STATE,

Complainant,

vs.

CITIZENS FOR NO NEW DEBT,

Respondent.

COMPLAINT

Pursuant to § 1-45-111.7, C.R.S. (2024), the Elections Division of the Secretary of State files this complaint against Citizens for No New Debt (“Respondent” or the “Committee”).

BACKGROUND

1. To assist voters in evaluating the sources of election-related spending, Colorado law requires entities with “a major purpose” of supporting or opposing any ballot issue, and that spend or receive more than \$200 to support or oppose any ballot issue, to register with the Secretary of State and disclose their contributions and expenditures.

2. For the same reason, Colorado law also requires entities advocating for or against ballot issues to include “paid for by” disclaimers in those communications. Those disclaimers must identify the person paying for the communication and, if the person is a non-natural person, the disclaimer must also identify the person’s registered agent.

3. Here, Citizens for No New Debt had a major purpose of opposing Denver Ballot Issue 4A, a non-statewide ballot measure that was submitted to voters in Denver in November 2024. Despite spending more than \$8,000 on advertisements opposing Issue 4A, Respondent did not register as an issue committee or disclose its contributions and expenditures.

4. Respondent's advertisements also failed to identify Respondent's registered agent in their "paid for by" disclaimers.

5. Accordingly, the Elections Division brings this action for appropriate relief.

PARTIES

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

7. Respondent is the Citizens for No New Debt, a nonprofit corporation registered with the Secretary of State's business and licensing division, ID # 20241216280.

JURISDICTION AND VENUE

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

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

10. This complaint is timely filed within thirty days of the Division's May 16, 2025, Notice of Investigation, according to § 1-45-111.7(5)(a)(IV).

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

ALLEGATIONS

12. In 2024, ballot issue 4A was submitted to voters in Denver. The ballot measure would have authorized the issuance of new debt to support capital improvements for the Denver Public Schools. Ballot issue 4A was a non-statewide ballot measure.

13. Ballot issue 4A was referred to the voters by the Denver Public Schools Board of Education on August 15, 2024.

14. Earlier that year, on February 23, 2024, J. Robert Bailey filed Articles of Incorporation with the Secretary of State’s business and licensing division, forming Citizens for No New Debt. According to the Articles, Respondent’s mission is to “improve government budgets by providing training, education, and communications that government debt is a waste of money.”

15. Between October 13, 2024, and October 31, 2024, Citizens for No New Debt distributed several advertisements in opposition to Ballot Issue 4A.

16. These included digital advertisements in the Denver Post’s online newsletter, “The Spot,” an insert in the October 13, 2024, Sunday edition of the Denver Post, advertisements with Colorado Community Media, and a Facebook boost.

17. In total, Citizens for No New Debt spent \$8,031.21 on communications opposing Ballot Issue 4A. On October 14, 2024, “Citizens for NO new debt and Jason Bailey” filed a 48-hour disclosure of direct ballot issue or ballot question expenditure report, disclosing \$7,400 worth of expenditures in opposition to 4A.

18. On November 5, 2024, the Division received a campaign finance complaint against Citizens for No New Debt. The complaint was filed by Dr. Carrie Olson. The Olson complaint alleged that Citizens for No New Debt was running advertisements opposed to Ballot Issue 4A but had not registered as an issue committee or disclosed its contributions.

19. The Olson complaint also alleged that the “paid for by” disclaimer on Respondent’s advertisements did not identify Citizens for No New Debt’s registered agent.

20. The Olson complaint included an image of one of Respondent’s advertisements in the Denver Post’s “The Spot” newsletter.



21. During its review and investigation of the Olson complaint, the Division corresponded with Respondent through its Registered Agent, Jason Robert Bailey.

22. Bailey provided documents showing the extent of the Committee's operations, and its advocacy related to Ballot Issue 4A.

23. Based on its review and investigation, the Division concluded that although Citizens for No New Debt was not exclusively established to oppose any ballot issue or ballot measure, it had "a major purpose" of supporting or opposing any ballot issue or ballot measure.

24. It reached this conclusion based on the factors outlined in *Cerbo v. Protect Colorado Jobs*, 240 P.3d 495, 501-02 (Colo. App. 2010).¹

25. Specifically, the \$8,031.21 Respondent spent on advertisements opposed to Ballot Issue 4A represented virtually all the organization's spending in 2024.

26. Moreover, a significant number of the organization's publications related to opposing Ballot Issue 4A.

COLORADO CAMPAIGN FINANCE LAW

27. Under Colorado law, all issue committees must "register with the appropriate officer within ten calendar days of accepting or making contributions or expenditures in excess of two hundred dollars to support or oppose any ballot issue or ballot question." § 1-45-108(3.3), C.R.S. (2024).

28. Issue committees must also report to the appropriate officer their "contributions received, including the name and address of each person who has contributed twenty dollars or more; expenditures made, and obligations entered into." § 1-45-108(1)(a)(I), C.R.S. (2024).

29. An issue committee is "any person, other than a natural person," that has "a major purpose of supporting or opposing any ballot issue or ballot question;" and has

¹ Although the general assembly amended the definition of "major purpose" in 2022, that amendment applies only to statewide issue committees. *See* § 1-45-103(12)(b)(II)(C)-(D).

“accepted or made contributions or expenditures in excess of two hundred dollars to support or oppose any ballot issue or ballot question.” Colo. Const. art. XXVIII, § 2(10)(a); 8 CCR 1505-6, Rule 1.16.

30. In this context “major purpose” means “support of or opposition to a ballot issue or ballot question that is reflected by: (I) An organization’s specifically identified objectives in its organizational documents at the time it is established; or (II) An organization’s demonstrated pattern of conduct.” § 1-45-103(12)(b), C.R.S. (2024).

31. For organizations supporting or opposing non-statewide measures, an organization’s demonstrated pattern of conduct relevant to its major purposes is determined by a “non-exclusive set of factors,” drawn from *Cerbo v. Protect Colorado Jobs, Inc.*, 240 P.3d 495, 501-02 (Colo. App. 2010); 8 CCR 1505-6, Rule 4.4.1(b).

32. Under Colorado law, any issue committee “spending more than one thousand dollars per calendar year on a communication that . . . supports or opposes a ballot issue . . . shall include in the communication a disclaimer statement.” § 1-45-108.3(1), C.R.S. (2024).

33. That disclaimer statement “must conform to the requirements specified in section 1-45-107.5(5) for content, size, duration, and placement.” § 1-45-108.3(2), C.R.S. (2024).

34. Under section 1-45-107.5(5), that disclaimer must state that “(I) The communication has been ‘paid for by (full name of the person paying for the communication)’; and (II) Identif[y] a natural person who is the registered agent if the person identified in subsection (5)(a)(I) . . . is not a natural person.” § 1-45-107.5(5), C.R.S. (2024).

CLAIM ONE
FAILURE TO REGISTER
(§ 1-45-108(3.3), C.R.S.)

35. All preceding allegations are incorporated.

36. In 2024, Citizens for No New Debt had a major purpose of supporting or opposing any ballot issue or ballot question, and spent more than \$200 opposing any ballot issue or ballot question—specifically, Ballot Issue 4A.

37. Citizens for No New Debt did not register as an issue committee with the Secretary of State.

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

CLAIM TWO
FAILURE TO REPORT
(§ 1-45-108(1)(a)(i), C.R.S.)

39. All preceding allegations are incorporated.

40. In 2024, Citizens for No New Debt qualified as an issue committee under Colorado law.

41. Nonetheless, although Citizens for No New Debt—listed alongside its registered agent, Jason Bailey—did file 48-hour reports of some of its independent expenditures, it did not file reports of contributions and expenditures with the Secretary of State.

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

CLAIM THREE
FAILURE TO REGISTER
(§ 1-45-108(1), C.R.S.)

43. All preceding allegations are incorporated.

44. In 2024, Citizens for No New Debt spent \$8,031.21 on advertisements opposing Ballot Issue 4A.

45. Although those advertisements included the disclaimer: “Paid for by Citizens for No New Debt,” they did not identify Respondent’s registered agent.

46. 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:

1. Penalties as set out under 8 CCR 1505-6, Rule 23.4.3.
2. Such other relief as the Hearing Officer may deem appropriate.

Respectfully submitted this 16th day of June, 2025

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 16th day of June, 2025, by email and/or U.S. mail, addressed as follows:

Citizens for No New Debt
C/O Registered Agent J Robert Bailey
1410 Grant St.
C-205
Denver, CO 80203
Bailey@citizensfornonewdebt.org
Respondent

Dr. Carrie Olson
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Third-Party Complainant

/s/ Peter G. Baumann