

ARTICLE V. CAMPAIGNS¹

Sec. 7-131. Legislative declaration.

The City Council hereby finds and declares that large campaign contributions to political candidates allow wealthy contributors and special interest groups to exercise a disproportionate level of influence over the political process; that large campaign contributions create the potential for corruption and the appearance of corruption; that the rising costs of campaigning for political office prevent qualified citizens from running for political office; and that the interests of the public are best served by limiting campaign contributions, full and timely disclosure of campaign contributions and strong enforcement of campaign laws.

(Ord. No. 162, 2000, § 1, 11-21-00)

Sec. 7-132. Definitions.

The following words, terms and phrases, when used in this Article, shall have the meanings ascribed to them in this Section:

Ballot issue, ballot question or issue shall mean any measure put to a vote of the registered electors of the City by the City Council at any election held under the provisions of the Charter. For purposes of this Article V, *ballot issue, ballot question or issue* shall also mean any measure for which recall, initiative or referendum proceedings have been commenced pursuant to Article IX, Section 1(b), Article X, Section 1(b), and Article X, Section 2(b), respectively, of the Charter.

Candidate shall mean any person who seeks nomination or election to the office of Mayor or Councilmember at any City election. A person is a candidate if the person has publicly announced an intention to seek such election or has filed nominating petitions for the office of Mayor or Councilmember. *Candidate* shall also mean any elected official who is the subject of recall proceedings pursuant to Article IX of the Charter.

Candidate committee shall mean a person, including the candidate, or persons with the common purpose of receiving contributions or making expenditures under the authority of a candidate. A candidate shall have only one (1) candidate committee. A candidate committee shall be considered open and active until the committee has filed a termination report with the City Clerk.

Contribution shall mean:

- (1) The payment, loan, pledge or advance of money, or guarantee of a loan, made to any candidate committee, issue committee or political committee;
- (2) Any payment made to a third party for the benefit of any candidate committee, issue committee or political committee;
- (3) Anything of value given, directly or indirectly, to a candidate committee for the purpose of promoting the candidate's nomination, retention, recall or election; or
- (4) With regard to a contribution for which the contributor receives compensation or consideration of less than equivalent value to such contribution, including, but not limited to, items of perishable or nonpermanent value, goods, supplies, services or participation in a campaign-related event, mailing

¹Charter reference(s)—City Council, Art. II; campaign contributions, Art. VIII, § 7.

lists and other similar items of value, the amount equal to the value in excess of the amount of such compensation or consideration as reasonably determined by the candidate committee, issue committee or political committee based on market prices or other similar information.

Contribution shall not include:

- (1) Services provided without compensation by a natural person volunteering their personal time on behalf of a candidate, candidate committee, political committee, issue committee or small-scale issue committee;
- (2) Mailing lists that were not developed primarily for sale, have never been sold or offered for sale, were not produced by an employee or contractor (other than an employee of the recipient), and do not incorporate mailing lists that themselves would constitute a *contribution*;
- (3) Funds collected subsequent to the election to pay the cost of a requested recount pursuant to Section 7-46.

Contribution in kind shall mean the fair market value of a gift or loan of any item of real or personal property, other than money, made to or for any candidate committee, issue committee, small-scale issue committee or political committee for the purpose of influencing the passage or defeat of any issue or the nomination, retention, election or defeat of any candidate. Personal services shall be considered a contribution in kind by the person paying compensation therefor. In determining the value to be placed on contributions in kind, a reasonable estimate of fair market value shall be used.

Contribution in kind shall not include an endorsement of a candidate or an issue by any person.

Expenditure shall mean the payment, distribution, loan or advance of any money by any candidate committee, political committee, issue committee or small-scale issue committee. *Expenditure* shall also include the payment, distribution, loan or advance of any money by a person for the benefit of a candidate committee, political committee, issue committee or small-scale issue committee that is made with the prior knowledge and consent of an agent of the committee. An expenditure occurs when the actual payment is made or when there is a contractual agreement and the amount is determined.

Independent expenditure shall mean the payment of money by any person for the purpose of advocating the election, defeat or recall of a candidate, which expenditure is not controlled by, or coordinated with, any candidate or any agent of such candidate. *Independent expenditure* shall include expenditures for political messages which unambiguously refer to any specific public office or candidate for such office. *Independent expenditure* shall also include the payment of money by any person for supporting or opposing a ballot issue or ballot question that is not controlled by, or coordinated with, an issue committee or a small-scale issue committee. *Independent expenditure* shall include, but not be limited to, advertisements placed for a fee on another person's website or advertisement space provided for no fee or a reduced fee where a fee ordinarily would have been charged.

Independent expenditure shall not include:

- (1) Expenditures made by persons in the regular course and scope of their business and political messages sent solely to their members;
- (2) Expenditures made by small-scale issue committees; or
- (3) Any news articles, editorial endorsements, opinion or commentary writings, or letters to the editor printed in a newspaper, magazine or other periodical not owned or controlled by the candidate, or communications other than advertisements posted or published on the internet for no fee.

Issue committee shall mean:

- (1) Two (2) or more persons who are elected, appointed or chosen, or have associated themselves, and that take steps in furtherance of an intent to accept contributions or contributions in kind, or make expenditures, to support or oppose any ballot issue or ballot question; or

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- (2) Any person that takes steps in furtherance of an intent to accept contributions or contributions in kind for the purpose of supporting or opposing any ballot issue or ballot question; or
 - (3) Any person or associated persons upon making independent expenditures of two thousand five hundred dollars (\$2,500) or more for the purpose of supporting or opposing any ballot issue or ballot question.

Issue committee shall not include small-scale issue committees as otherwise defined in this Section.

Person shall mean any individual, partnership, committee, association, corporation, labor organization or other organization or group of persons.

Political committee shall mean:

- (1) Two (2) or more persons who are elected, appointed or chosen, or have associated themselves, and that take steps in furtherance of an intent to accept contributions, or contributions in kind, or make expenditures to support or oppose one (1) or more candidates; or
- (2) Any person that takes steps in furtherance of an intent to accept contributions or contributions in kind for the purpose of supporting or opposing one (1) or more candidates; or
- (3) Any person or associated persons upon making independent expenditures of two thousand five hundred dollars (\$2,500) or more for the purpose of supporting or opposing one (1) or more candidates.

Political committee shall not include candidate committees as otherwise defined in this Section.

Political message shall mean a message delivered by telephone, any print or electronic media or other written material which advocates the election or defeat of any candidate or which unambiguously refers to such candidate.

Public announcement shall mean:

- (1) Registration of a candidate committee; or
- (2) A statement made by the candidate signifying an interest in, or exploring the possibility of, seeking the office by means of a speech, advertisement or other communication reported or appearing in public media or in any place accessible to the public, including social media, that a reasonable person would expect to become public.

Registered agent shall mean a natural person designated by or representing a committee and responsible to receive mailings, respond to inquiries regarding the committee, to receive complaints related to the committee, and timely filing campaign finance reports and other filings required pursuant to this Chapter.

Small-scale issue committee means a committee otherwise meeting the definition of *issue committee* that has accepted contributions, contributions in kind or expenditures in an amount that does not exceed two thousand five hundred dollars (\$2,500.) during an applicable election cycle for the major purpose of supporting or opposing any ballot issue or ballot question.

The following are each treated as a single small-scale issue committee:

- a. A small-scale issue committee that supports or opposes a common ballot measure if the committee is established, financed, or controlled by a single corporation or its subsidiaries;
- b. A small-scale issue committee that supports or opposes a common ballot measure if the committee is established, financed, maintained, or controlled by a single labor organization or the affiliated local units it directs; and

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- c. A small-scale issue committee that supports or opposes a common ballot measure if the committee is established, financed, maintained, or controlled by substantially the same person, group of persons, or other organizations.

Social media shall mean any electronic medium, including an interactive computer service, application, or data network, that allows users to create, share, and view user-generated content, including but not limited to videos, still photographs, blogs, video blogs, podcasts, instant messages, electronic mail, or internet website profiles.

Termination report shall mean a final report prepared by a candidate committee, issue committee or political committee and filed with the City Clerk which discloses the committee's contributions received, expenditures made and obligations entered into, when the following conditions have been met:

- (1) The committee no longer intends to receive contributions or make expenditures; and
- (2) A zero (0) balance exists in the account established and maintained under Subsection 7-135(f) and the committee has no outstanding debts or obligations.

Unexpended campaign contributions shall mean the balance of funds on hand in any candidate committee, issue committee, political committee or small-scale issue committee following an election, less the amount of all unpaid monetary obligations incurred prior to the election.

(Ord. No. 162, 2000, § 1, 11-21-00; Ord. No. 148, 2001, § 1, 11-6-01; Ord. No. 021, 2016, § 9, 3-1-16; Ord. No. 005, 2017, § 5, 1-17-17; Ord. No. 045, 2018, §§ 3, 4, 4-3-18; Ord. No. 077, 2018, §§ 5, 6, 6-19-18; Ord. No. 113, 2018, § 2, 9-4-18; Ord. No. 079, 2022, § 2, 7-5-22)

Sec. 7-133. Candidate affidavit; disclosure statement; failure to file.

- (a) When any individual becomes a candidate, such individual shall certify, by affidavit filed with the City Clerk within ten (10) days, that the candidate is familiar with the provisions of this Article.
- (b) Each candidate shall file a financial disclosure statement pursuant to § 2-636 with the City Clerk at the same time as filing an acceptance of nomination.
- (c) Failure of any person to file the affidavit or disclosure statement required under this Section shall result in the disqualification of such person as a candidate for the office being sought.
- (d) The requirements of this Section shall not apply to any elected official who is the subject of recall proceedings.

(Ord. No. 162, 2000, § 1, 11-21-00; Ord. No. 148, 2001, § 2, 11-6-01; Ord. No. 045, 2018, § 5, 4-3-18)

Sec. 7-134. Registration of committees; termination.

- (a) All candidate committees, political committees and issue committees shall register with the City Clerk before accepting any contributions or contributions in kind or making any expenditures. Registration must be on a form provided by the City Clerk and must include the following, together with any other information required to complete the registration form.
 - (1) The committee's full name, spelling out any acronyms used therein;
 - (2) The name of a natural person authorized to act as a registered agent for the committee;
 - (3) A current street address, mailing address (if different from the street address), telephone number and email address for the principal place of business of the committee;
 - (4) A current mailing address, telephone number and email address for the registered agent;

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- (5) The purpose or nature of interest of the committee;
 - (6) The date of the election regarding which the committee intends to be active;
 - (7) The name and address of the financial institution in which all contributions received by the committee are deposited in a separate account bearing, in the case of a candidate committee, the name of the candidate, or in the case of a political or issue committee, the name of the person authorized to act as the registered agent for the committee, and documentation of such account reasonably satisfactory to the City Clerk; and
 - (8) An acknowledgement and certification signed by the registered agent and, for any candidate committee, the candidate.
- (b) A registered committee must promptly provide updated address, telephone and email information to the City Clerk upon the change of such information for the committee or the registered agent of the committee, or any change in financial institution or account.
 - (c) Any candidate committee, political committee, issue committee or registered small-scale issue committee that has registered with the City Clerk, but has not engaged in any election activities or reported any contributions accepted or expenditures made, may terminate at any time by filing an amended committee registration indicating the nature of the amendment is termination of the committee and verifying that no contributions have been received or expenditures made since registration occurred pursuant to § 7-134. Alternatively, the committee shall file a campaign report indicating no contributions have been received or expenditures made, and indicating it is a termination report.
 - (d) Any political committee, issue committee or registered small-scale issue committee that has not taken the necessary steps to terminate pursuant to Subsection (c) above must have properly disposed of all funds and must file a termination report no later than seventy (70) days after the election.

(Ord. No. 162, 2000, § 1, 11-21-00; Ord. No. 148, 2001, § 3, 11-6-01; Ord. No. 045, 2018, § 6, 4-3-18; Ord. No. 077, 2018, § 7, 6-19-18; Ord. No. 113, 2018, § 3, 9-4-18; Ord. No. 121, 2020, 10-20-20; Ord. No. 079, 2022, § 3, 7-5-22)

Sec. 7-135. Campaign contributions/expenditures.

- (a) *Limits.*
 - (1) No person may make contributions and/or contributions in kind totaling more than one hundred dollars (\$100.) to the candidate committee of any candidate for the office of Mayor. No person may make contributions and/or contributions in kind totaling more than seventy-five dollars (\$75.) to the candidate committee of any candidate for the office of Councilmember. These limitations shall apply to all contributions or contributions in kind, whether made directly to a candidate committee or indirectly via earmarked gifts passed through an intermediary, except that these limitations shall not apply to:
 - a. Contributions or contributions in kind made by a candidate to his or her own candidate committee;
 - b. Independent expenditures;
 - c. Monetary loans that are: (a) personally guaranteed in writing by the candidate, the candidate's immediate family or a business entity in which the candidate owns at least five (5) percent; or (b) secured by real or personal property owned by the candidate, the candidate's immediate family or a business entity in which the candidate owns at least five (5) percent; or
 - d. Contributions made to a candidate committee by another candidate committee established by the same individual as a candidate for the office of Mayor or Councilmember.

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- (2) No person may make contributions and/or contributions in kind totaling more than one hundred dollars (\$100.) to a political committee.
 - (3) No person shall make a contribution or contribution in kind in the name of another person or knowingly permit one's name to be used by another person to effect such a contribution or contribution in kind.
- (b) *Limited Liability Company Contributions.* A limited liability company ("LLC") may make contributions or contributions in kind to candidate committees or political committees subject to the following requirements and all other applicable limits of this Section:
- (1) Any contribution from an LLC shall count against contribution limits for both the LLC itself and the individual members of the LLC as apportioned according. The amount a person contributes as an individual member of the LLC shall count towards the aggregate contribution limit for that person in Subsection (a) herein.
 - (2) The LLC shall provide the candidate committee or political committee with a written statement affirming the permissibility of the contribution on a form provided by the City Clerk. The affirmation shall include:
 - a. The name and address of the LLC and each LLC member;
 - b. Information on how the contribution is attributed among the LLC members, which attribution must reflect the capital each member has invested in the LLC relative to the total amount of capital invested in the company, or the percentage of ownership each member has in the LLC as of the date of the contribution.
 - (3) No candidate committee or political committee shall accept a contribution from an LLC unless the LLC provides the written affirmation in compliance with this Section before the contribution is deposited by the committee.
 - (4) The candidate committee or political committee receiving the contribution shall:
 - a. List both the individual LLC members' names and the name of the LLC as contributors on disclosure reports; and
 - b. Retain the affirmation statements for one (1) year after the date of the election; provider however, in the event a complaint is filed against the committee, the committee must maintain the affirmations until the final disposition of the complaint.
 - (5) As used in this Subsection (b), "limited liability company" shall have the same meaning as "domestic limited liability company" as defined in Section 7-90-102(15), C.R.S., or "foreign limited liability company" as defined in Section 7-90-102(24), C.R.S., as amended.
- (c) *Joint contributions.* No person shall make a contribution jointly with another person through the issuance of a check drawn on a jointly owned account unless: (i) the total amount of the joint contribution is less than the maximum amount that can be contributed by one (1) person under the contribution limits established in Subsection (a) of this Section or (ii) the check is signed by all owners of the account, in which event the amount of the total contribution shall be allocated equally among all such persons unless a different allocation is specified on the face of the check. No candidate committee shall knowingly accept a contribution made in violation of this Subsection (c).
- (d) *Contributions in excess of limits.* No later than ten (10) business days after receiving a contribution or contribution in kind in excess of the limits set forth in this Section, the committee that received the contribution shall remit the excess to the contributor or pay to the contributor the value of the contribution in kind.

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- (e) No candidate committee, issue committee, small-scale issue committee or political committee shall knowingly accept contributions or contributions in kind from any person who is not a citizen of the United States, from a foreign government or from any foreign corporation that does not have authority to transact business in this State pursuant to Article 115 of Title 7, C.R.S., or who is prohibited from contributing pursuant to the Charter of the City of Fort Collins or this Article.
- (f) No issue committee, small-scale issue committee or political committee shall make a contribution or contribution in kind to any other committee or to any candidate.
- (g) *Contributions from one (1) candidate committee to another.*
- (1) No candidate committee shall make a contribution or contribution in kind to, or accept a contribution or contribution in kind from, a candidate committee of another candidate.
- (2) No candidate committee shall accept a contribution or contribution in kind from a candidate committee of the same candidate that was established or maintained for a federal, state or county election campaign or office.
- (h) *Recordkeeping.*
- (1) All contributions and contributions in kind received by a candidate committee, small-scale issue committee, issue committee or political committee shall be documented and deposited and maintained in a financial institution in a separate account that complies with Subsection 7-134(a)(7). Following any election in which the committee received contributions, the committee shall maintain all records pertaining to contributions and related accounts for one (1) year following the date the final disclosure report is due under Section 7-136 or the date the committee terminates, whichever is later, unless a complaint has been filed under Subsection 7-145(a) alleging a violation of the provisions of this Article, or the person or committee has received notice of an investigation or prosecution of a violation of this Article by the City or other law enforcement authority, in which case they shall be maintained until final disposition of the complaint and any consequent court proceedings. Such records shall be subject to inspection in connection with any investigation or other action to enforce the terms of this Article.
- (2) Following any election in which the committee made any expenditure, the committee shall document all expenditures and shall maintain all records pertaining to said expenditures, including but not limited to invoices, receipts, instruments of payment, and copies of any public communications produced as a result of the expenditure, for one (1) year following the date the final disclosure report is due under Section 7-136 or the date the committee terminates, whichever is later, unless a complaint has been filed under Subsection 7-145(a) alleging a violation of the provisions of this Article, or the person or committee has received notice of an investigation or prosecution of a violation of this Article by the City or other law enforcement authority, in which case they shall be maintained until final disposition of the complaint and any consequent court proceedings. Documentation shall include the name and address of the vendor(s) or payee(s) providing the property, materials, or services and the amount of the expenditure. Such records shall be made available within three (3) business days upon request of the City and subject to inspection in connection with any investigation or other action to enforce the terms of this Article.
- (i) *Reimbursements prohibited.* No person shall make a contribution or contribution in kind to a candidate committee, issue committee, small-scale issue committee or political committee with the expectation that some or all of the amounts of such contribution will be reimbursed by another person. No person shall be reimbursed for a contribution or contribution in kind made to any candidate committee, issue committee, small-scale issue committee or political committee, nor shall any person make such reimbursement. An unexpended campaign contribution returned to a contributor or compensation for a contribution in kind by a committee pursuant to § 7-135(c) shall not be considered a reimbursement.

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- (j) A candidate committee, issue committee, small-scale issue committee or political committee shall not coordinate its expenditures or activities with, or share information with, any other committee and shall not conduct its campaign activities in a manner that has the effect of circumventing any restrictions or limitations on campaign contributions, expenditures or reporting set forth in this Article.
 - (k) A candidate, candidate committee or political committee shall obtain from each seller a certification of full fair market value for any purchased goods or services and from the contributor for any goods or services that constitute a contribution or contribution in kind. Any seller or contributor asked to provide a certification of value shall provide to the candidate, candidate committee or political committee a correct and undiscounted statement of value. Certification of value documentation shall be provided by a candidate, candidate committee or political committee to the City Clerk, or other appropriate City official responsible for investigating or reviewing compliance, upon request.

(Ord. No. 162, 2000, § 1, 11-21-00; Ord. No. 189, 2000, § 1, 1-2-01; Ord. No. 148, 2001, § 4, 11-6-01; Ord. No. 005, 2017, § 6, 1-17-17; Ord. No. 077, 2018, § 8, 6-19-18; Ord. No. 113, 2018, §§ 4, 5, 9-4-18; Ord. No. 109, 2020, § 3, 9-15-20; Ord. No. 112, 2020, §§ 2, 3, 9-15-20; Ord. No. 079, 2022, § 4, 7-5-22)

Sec. 7-136. Disclosure; filing of reports.

- (a) All candidate committees, political committees and issue committees shall report to the City Clerk their contributions and contributions in kind received, including the name and address of each person who has made a contribution or a contribution in kind; expenditures made; and obligations entered into by the committee.
- (b) For purposes of complying with the requirements of this Section, an issue committee, political committee or small-scale issue committee consisting of an organization whose primary purpose is not to support or oppose ballot issues or candidates shall report only those contributions and contributions in kind accepted, expenditures made and obligations entered into for the purpose of supporting or opposing a ballot issue or ballot question or candidate. Such committee shall not be required to report donations, membership dues or any other payments received and for non-election purposes except to the extent such amounts are used or set aside to be used for the purpose of supporting or opposing a ballot issue or ballot question or candidate.
- (c) Reports shall be filed with the City Clerk as follows:
 - (1) All committees must file reports on the following dates:
 - a. the thirty-fifth (35th) day before the election;
 - b. the twenty-first (21st) day before the election;
 - c. the fourteenth (14th) day before the election;
 - d. no later than noon on the Friday before the election;
 - e. the thirty-fifth (35th) day after the election; and
 - f. the seventieth (70th) day after the election.
 - (2) Candidate committees that continue in operation must file a report annually on the first day of the month in which the anniversary of the election occurs until such time as a termination report is filed.
 - (3) If the reporting day falls on a weekend or legal holiday, the report shall be filed by the close of the next business day.
- (d) The reports required by this Section shall include the balance of funds at the beginning of the reporting period, the total of contributions and contributions in kind received, and the total of expenditures made during the reporting period. The reports shall also include cumulative totals of contributions and

contributions in kind received and a cumulative total of expenditures made by the committee during the election cycle.

- (e) All reports shall be submitted on forms provided by the City Clerk and shall be complete and correct in all respects. Reports shall be current in all respects as of two (2) days prior to the date upon which each such report is to be filed.
- (f) A report required to be filed by this Section is timely if the report is filed electronically not later than midnight Mountain Standard Time on the date due. Notwithstanding the foregoing, the report that is due by noon on the Friday before the election must be filed by noon regardless of the manner of filing.
- (g) Any report that is deemed by the City Clerk to be incomplete or inconsistent with the requirements of this Article shall be accepted on a conditional basis, and shall be subject to the penalties and process in § 7-143.
- (h) Any candidate committee, political committee or issue committee which has not accepted any contributions or contributions in kind, made any expenditures, or entered into any obligations during a reporting period, shall file a report with the City Clerk on the days specified in Subparagraph (c) above certifying that the committee has not accepted any contributions or contributions in kind, made any expenditures or entered into any obligations during the relevant reporting period.
- (i) Except as specified in this Subparagraph (i), the disclosure requirements specified in this Section shall not apply to a small-scale issue committee. To the extent there is any conflict between the small-scale issue committee provisions of Subparagraphs (i), (j), (k), and (l) of this Section 7-136, those Subparagraphs shall control. Any small-scale issue committee shall disclose or file reports about the contributions, contributions in kind or expenditures it has made or received or otherwise register as an issue committee in connection with accepting or making such contributions or expenditures in accordance with the following alternative requirements:
 - (1) Any small-scale issue committee that accepts contributions or contributions in kind or makes expenditures in an aggregate amount during any applicable election cycle that does not exceed two hundred fifty dollars (\$250.) is not required to disclose or file reports about the contributions, contributions in kind or expenditures it has made or received or otherwise register as an issue committee in connection with accepting such contributions or contributions in kind or making such expenditures.
 - (2) Any small-scale issue committee that accepts contributions or contributions in kind or makes expenditures in an aggregate amount during any applicable election cycle of between two hundred fifty dollars (\$250.) and two thousand five hundred dollars (\$2,500.) shall register with the City Clerk within ten (10) business days of the date on which the aggregate amount of contributions or expenditures exceeds two hundred fifty dollars (\$250.). The registration required by this subparagraph must be on a form provided by the City Clerk and must include the following, together with any other information required to complete the registration form:
 - a. The committee's full name, spelling out any acronyms used in the name;
 - b. The name of a natural person authorized to act as a registered agent of the committee;
 - c. A current street address, mailing address (if different from the street address), telephone number and email address for the principal place of business of the committee;
 - d. A current mailing address, telephone number and email address for the registered agent;
 - e. The purpose or nature of interest of the committee;
 - f. The date of the election regarding which the committee intends to be active;

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- g. The name and address of the financial institution in which all contributions received by the committee are deposited in a separate account bearing the name of the committee, and documentation of such account reasonably satisfactory to the City Clerk; and
 - h. An acknowledgement and certification signed by the registered agent and, from any candidate committee, the candidate.
- (3) A registered small-scale issue committee must promptly provide updated address, telephone and email information to the City Clerk upon the change of such information for the committee or the registered agent of the committee, or any change in financial institution or account.
- (j) Except as required by Subsection 7-135(f)(2), no small-scale issue committee described in subsection (i)(2) is required under this Article to disclose or report any contributions, contributions in kind or expenditures it has made or received, so long as it continues to meet the definition of small-scale issue committee.
- (k) Within seven (7) days of the date on which a small-scale issue committee accepts contributions or contributions in kind or makes expenditures in an aggregate amount during any applicable election cycle that exceeds two thousand five hundred dollars (\$2,500.), the committee shall:
- (1) through its registered agent, report this change in the committee's status to the City Clerk; and
 - (2) report to the City Clerk on an approved form, for each particular contribution, contribution in kind or expenditure accepted or made, the name and address of each person who has made such contribution or contribution in kind and the amount of each specific contribution, contribution in kind and expenditure accepted or made by the committee.
- (l) Once any issue committee that began as a small-scale issue committee accepts contributions or contributions in kind or makes expenditures in an aggregate amount during any applicable election cycle that exceeds two thousand five hundred dollars (\$2,500.), the committee shall from that point forward make disclosure of any contributions, contributions in kind or expenditures it accepts or makes not already reported under Subparagraph (k) and comply with all requirements under this Article applicable to issue committees.
- (m) Any political committee or issue committee formed prior to July 1, 2017, will be deemed to have been formed for an election held prior to said date, and shall be deemed terminated and shall cease to operate as a committee as of April 13, 2018, except that any such terminated committee and persons responsible for the operation of such committee shall continue to be subject to the limitations on disbursement of funds set forth in § 7-138.

(Ord. No. 162, 2000, § 1, 11-21-00; Ord. No. 189, 2000, § 2, 1-2-01; Ord. No. 148, 2001, § 5, 11-6-01; Ord. No. 173, 2014, § 7, 12-16-14; Ord. No. 021, 2016, § 10, 3-1-16; Ord. No. 005, 2017, § 8, 1-17-17; Ord. No. 045, 2018, § 7—11, 4-3-18; Ord. No. 077, 2018, § 9, 6-19-18; Ord. No. 113, 2018, § 6, 9-4-18; Ord. No. 109, 2020, § 4, 9-15-20; Ord. No. 079, 2022, § 5, 7-5-22)

Sec. 7-137. Reports to be public record.

- (a) Upon receipt of any campaign report submitted pursuant to this Article, the City Clerk shall make available such report for public inspection and post the report on the City's website no later than the next business day.
- (b) No information contained in any campaign report submitted pursuant to this Article shall be sold or used by any person for the purpose of soliciting contributions or for any commercial purpose.

(Ord. No. 162, 2000, § 1, 11-21-00; Ord. No. 148, 2001, § 6, 11-6-01; Ord. No. 021, 2016, § 11, 3-1-16)

Sec. 7-138. Unexpended campaign contributions.

- (a) Unexpended campaign contributions to a candidate committee may be:
- (1) Contributed to a political party;
 - (2) Contributed to a candidate committee established by the same candidate for a subsequent campaign in a City election, or to a candidate committee established after January 1, 2021, for a non-City election, to the extent permitted by applicable law. For a City election, such contributions are subject to the limitations set forth in Paragraph 7-135(g)(2);
 - (3) Donated to a charitable organization recognized by the Internal Revenue Service;
 - (4) Returned to the contributors;
 - (5) Used to pay for the cost of a recount requested by the candidate pursuant to § 7-46.

In no event shall contributions to a candidate committee be used for personal purposes not reasonably related to supporting the election or retention of the candidate.

- (b) In addition to any use described in Subsection (a) of this Section, a person elected to the office of Mayor or Councilmember, or retained in office following a recall attempt, may use unexpended campaign contributions held by the person's candidate committee for any of the following purposes:
- (1) Voter registration;
 - (2) Political issue education, which includes obtaining information from or providing information to the electorate;
 - (3) Postsecondary educational scholarships;
 - (4) To defray reasonable and necessary expenses related to mailings and similar communications to constituents;
 - (5) 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.
- (c) 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 Subsection (a) of this Section, no later than five (5) 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.
- (d) Unexpended campaign contributions to an issue committee or political committee may be donated to any charitable organization recognized by the Internal Revenue Service, returned to the contributor, or used to pay for the cost of a recount requested by the committee's registered agent pursuant to § 7-46.
- (e) Any unexpended campaign contributions held by a candidate committee subsequent to the date of the election shall, upon the registration of a candidate committee for a City office in a subsequent election, be available for that candidate committee as a beginning fund balance to use in that election. Such carryover funds will not count against any contribution limit attributable to any past contributor in a prior election campaign. Absent the candidate registering a candidate committee for a City office in a subsequent election, the unexpended campaign contributions may be used as otherwise set forth in this Section.

(Ord. No. 162, 2000, § 1, 11-21-00; Ord. No. 148, 2001, § 7, 11-6-01; Ord. No. 021, 2016, § 12, 3-1-16; Ord. No. 109, 2020, § 5, 9-15-20)

Sec. 7-139. Independent expenditures.

- (a) Any person, excluding a committee required to register under this Article, who makes independent expenditures in connection with any particular ballot totaling in the aggregate more than two hundred fifty dollars (\$250.) shall report any such independent expenditures made after that threshold is met to the City Clerk on a form provided by the City Clerk no later than three (3) business days after the day that funds are obligated to pay for said independent expenditure. Said notice shall include the following information, together with any other information required by the City Clerk:
 - (1) The name, address and telephone number of the person making the independent expenditures;
 - (2) The name of the candidate whom the independent expenditures are intended to support or oppose;
 - (3) The name and address of the vendor(s) providing the property, materials or services;
 - (4) A detailed description of the independent expenditures sufficient to allow for determination of compliance with this section;
 - (5) The amount of the independent expenditures;
 - (6) The date the funds were obligated; and
 - (7) Copies of receipts, invoices, or other documentation related to the independent expenditure.
- (b) For the purposes of this provision, funds shall be considered to have been obligated as soon as an agreement is reached for the provision of the property, materials or services in question, regardless of when payment is to be made for such property or services.
- (c) All independent expenditures shall be documented and all records pertaining to independent expenditures, including but not limited to invoices, receipts, instruments of payment, and copies of any public communications produced as a result of the expenditure, shall be maintained for one (1) year following any election in which the funds were expended unless a complaint has been filed under Subsection 7-145(a) alleging a violation of the provisions of this Article, or the person or committee has received notice of an investigation or prosecution of a violation of this Article by the City or other law enforcement authority, in which case they shall be maintained until final disposition of the complaint and any consequent court proceedings. Such records shall be made available within three (3) business days upon request of the City and subject to inspection in connection with any hearing held pursuant to this Article.
- (d) Any person or persons, excluding a committee otherwise required to register under this Article, who makes or make independent expenditures in connection with any particular City election (including either candidate races or ballot questions or issues) totaling in the aggregate two thousand five hundred dollars (\$2,500) or more, shall register as an issue committee or political committee, as applicable, within three (3) business days of having made expenditures in excess of such threshold. The initial report of any such committee shall provide the dates of any reports of independent expenditures previously made and the source of funds for said previously reported expenditures.

(Ord. No. 162, 2000, § 1, 11-21-00; Ord. No. 148, 2001, § 8, 11-6-01; Ord. No. 005, 2017, § 7, 1-17-17; Ord. No. 077, 2018, § 10, 6-19-18; Ord. No. 113, 2018, § 7, 9-4-18; Ord. No. 079, 2022, § 6, 7-5-22)

Sec. 7-140. Responsibility for communications.

- (a) Required Statements.
 - (1) Whenever a candidate, candidate committee, issue committee, political committee or registered small-scale issue committee makes an expenditure for the purpose of financing communications expressly

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- advocating a particular result in an election, or solicits any contribution or contribution in-kind through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing or any other type of general public political advertising, such communication if paid for or authorized by a candidate, candidate committee, issue committee, political committee, registered small-scale issue committee, or any agent for the same, shall clearly state that the communication is paid for by that candidate, candidate committee, issue committee, political committee or registered small-scale issue committee.
- (2) Whenever any person makes an independent expenditure in excess of the reporting threshold in § 7-139 for the purpose of financing communications expressly advocating for a particular result in an election, such communication shall clearly state that the communication is paid for by that person.
- (b) In regard to the different forms of communication set forth in subsection (a) of this Section 7-140, "communication" shall include, but shall not be limited to:
- (1) Websites or social media of a candidate, candidate committee, issue committee, political committee or registered small-scale issue committee available to the general public;
 - (2) Websites or social media of a person if and to the extent they are financed by independent expenditures in excess of the reporting threshold in § 7-139 and are available to the general public; and
 - (3) Advertisements placed for a fee on another person's website or social media.
- (c) The statement required by this Section 7-140 must be clear and conspicuous in the communication. The statement required herein shall not apply to communications where including the statement would be impractical, such as:
- (1) Bumper stickers, pins, buttons, pens and similar small items upon which the disclaimer cannot be conveniently printed;
 - (2) Skywriting, water towers, wearing apparel, or other means of displaying an advertisement of such a nature that the inclusion of a disclaimer would be impracticable; or
 - (3) Checks, receipts, and similar items of minimal value that are used for purely administrative purposes and do not contain a political message.
- (d) Nothing herein shall be deemed to alleviate any person from complying with federal campaign finance law, as applicable.
- (Ord. No. 113, 2018, § 8, 9-4-18)

Sec. 7-141. Expenditures for political advertising; rates and charges.

- (a) No committee shall pay to any radio or television station, newspaper, periodical, internet advertiser or website provider, social media provider or other supplier of materials or services a higher charge than that normally required for local commercial customers for comparable use of space, materials or services. Any such rate shall not be rebated, directly or indirectly.
- (b) Any radio or television station, newspaper, internet advertiser or website provider, social media provider or periodical that charges a committee a lower rate for use of space, materials or services than the rate such station, newspaper, internet advertiser or website provider, social media provider or periodical or supplier charges another issue committee or candidate committee for the same ballot measure or public office for comparable use of space, materials or services shall report the difference in such rate as a contribution to the committee that is charged such lower rate. A person who receives a discounted rate as described herein shall be deemed to have received a contribution and to meet the definition of political committee, issue committee or small-scale issue committee, as applicable, and must comply with the related requirements.

- (c) Nothing in this Article shall be construed to prevent an adjustment in rates related to frequency, volume, production costs and agency fees if such adjustments are offered consistently to other advertisers.

(Ord. No. 162, 2000, § 1, 11-21-00; Ord. No. 077, 2018, § 11, 6-19-18; Ord. No. 113, 2018, § 9, 9-4-18; Ord. No. 079, 2022, § 2, 7-5-22)

Sec. 7-142. Encouraging withdrawal from campaign prohibited.

No person shall offer or give any candidate or candidate committee any money or any other thing of value for the purpose of encouraging the withdrawal of the candidate's candidacy, nor shall any candidate offer to withdraw a candidacy in return for money or any other thing of value.

(Ord. No. 162, 2000, § 1, 11-21-00)

Sec. 7-143. Violations and penalties.

- (a) Except as provided in Subparagraph (b) herein, any person who violates or fails to comply with the provisions of this Article as set forth in the following schedule commits a civil infraction and is subject to a civil penalty as follows:

Code Section	Penalty Amount
7-133 - Candidate affidavit; disclosure statement; failure to file	No monetary penalty (disqualification per Section 7-133)
7-134 - Registration of committees; termination.	\$150 first offense; \$300 each subsequent offense
7-135 - Campaign contributions/expenditures.	\$100 first offense; \$200 each subsequent offense
7-136 - Disclosure; filing of reports.	\$100 first offense; \$200 each subsequent offense
7-137(b) - Reports to be public record.	\$50 first offense; \$100 each subsequent offense
7-138 - Unexpended campaign contributions.	\$100 first offense; \$200 each subsequent offense
7-139 - Independent expenditures	\$100 first offense; \$200 each subsequent offense
7-140 - Responsibility for communications.	\$50 first offense; \$100 each subsequent offense
7-141 - Expenditures for political advertising; rates and charges.	\$50 first offense; \$100 each subsequent offense

- (b) Any person who undertakes any of the following commits a misdemeanor and is subject to a fine or imprisonment in accordance with § 1-15:
- (1) Knowingly violates § 7-135(e), (i), (j), or (k), with the intent to circumvent the restrictions of § 7-135.
 - (2) Knowingly violates § 7-136 with the intent to fraudulently misrepresent campaign contributions or expenditures on a disclosure report;
 - (3) Knowingly violates § 7-142; or
 - (4) Is found liable for a violation after the person has been found liable for two (2) or more violations under this Article in a single election cycle.
- (c) Failure to comply with the provisions of this Article shall have no effect on the validity of any election, except as expressly required by the City Charter.
- (d) Each complaint received under Division 2 of this Article shall be posted on the City's website along with other campaign information. Records of communications between the City Clerk and the complainant and between the City Clerk and the subject of any complaint shall be a public record.

(Ord. No. 162, 2000, § 1, 11-21-00; Ord. No. 109, 2020, § 6, 9-15-20; Ord. No. 079, 2022, § 8, 7-5-22)

Sec. 7-144. Severability.

If any provision of this Article or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Article which can be given effect without the invalid provision or application, and to this end the provisions of this Article are declared to be severable.

(Ord. No. 162, 2000, § 1, 11-21-00)