

Commerce City

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Council Communication

File Number: Ord 2506

Agenda Date: 5/1/2023 Version: 1 Status: Agenda Ready

In Control: City Council File Type: Ordinance

AN ORDINANCE AMENDING ARTICLE I OF CHAPTER 2 OF THE COMMERCE CITY REVISED MUNICIPAL CODE TO PROVIDE FOR CAMPAIGN FINANCE REGULATIONS

Summary and Background Information:

At the March 6, 2023 Council Meeting, City Council voted to direct staff to draft a campaign finance ordinance to provide for additional campaign finance reporting periods and reports within 2 weeks of the election to be posted on the website within 48 hours. The drafted ordinance contains the following:

- 1. Six Reporting Periods. Staff has proposed the following reporting periods. Staff believes these reporting periods will provide for transparent and timely notice to the public for campaign finance contributions and expenditures by committees and candidates. The goal is to increase the reporting frequency, especially in the lead up to election day. This also provides for a post-election report to allow committees to terminate their committee by reporting a \$0 balance, or continue to file annually with the City Clerk's Office if there is an outstanding balance.
- a. Pre-Election Report 1 from the time a Committee is opened through July 31st, Due August 5
 - b. Pre-Election Report 2 August 1 August 31, Due September 5
 - c. Pre-Election Report 3 September 1 September 30, Due October 5
 - d. Pre-Election Report 4 October 1 October 15, Due October 20
 - e. Pre-Election Report 5 October 16 October 29 Due Friday Before Election
 - f. Post-Election Report October 30 November 30, Due December 5

Annual Reports for committees with a remaining balance will be due 1st Monday of November until the committee is terminated.

- 2. \$400 Large Contribution Reports. State Statute provides that contributions of \$1000 or more made within 30 days of the election must be reported within 24 hours. Council desired to lower the limit to \$400, require the reporting regardless of whether the donation was in currency or in-kind, make the report due at any time during the election, and due within 48 hours. Staff has drafted proposed 2-1005(e)(6) to require the large contribution report.
- 3. Authorization to issue and collect fines and fees. State statute allows the Secretary of

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State to assess a \$50/day for each late report from a committee. Staff has mirrored that language in Section 2-1005(e)(10) to impose a \$50/day fine, with the ability for Committees to request an extension to file their report, and the ability for the City Clerk to grant the extension or waive or limit the fine assessed on a committee or candidate.

Other notable additions:

- Provided definitions.
- 2. Require reports from all candidates and committees, regardless of whether or not they have a committee or made any expenditures or received any contribution (statement of expenditure of personal funds or statement of non-receipt of contribution and non-expenditure of funds)
- 3. Require reports to be filed electronically. No paper, photos, or scans will be accepted.
- 4. Allow the City Clerk to accept initial reports for posting on the website, and then review reports and require committees and candidates to correct deficiencies within three business days.
- 5. Reports will be made available on the City's website within 1 business day.
- 6. Allow the City Clerk to promulgate and amend rules of procedure relating to campaign finance administration and enforcement.
- 7. Only forms allowed are those created and provided by the City Clerk.
- 8. Allow the City Clerk to accept initial reports for posting on the website, and then review reports for violations of the campaign finance regulations and allow no more than 14 days for amended reports to be filed.

Staff Responsible (Department Head): Dylan A. Gibson, City Clerk **Staff Member Presenting**: Dylan A. Gibson, City Clerk

Financial Impact: Impact to staff time for assessing and collecting any campaign finance report late fees and fines. Small revenue increase from late report fines. **Funding Source**: General fund.

Staff Recommendation: Provide input on reporting periods and amend ordinance as needed, or adopt ordinance as is.

Suggested Motion: I move to introduce by council as seated and approve on first reading ordinance 2506.

Or, "I move to amend Ordinance 2506 to provide for reporting periods of (desired reporting periods here), and introduce by council as seated and approve on first reading."