

**Second Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO**

**ENGROSSED**

*This Version Includes All Amendments Adopted  
on Second Reading in the House of Introduction*

LLS NO. 10-0767.01 Dan Cartin

**HOUSE BILL 10-1370**

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**A BILL FOR AN ACT**

101 **CONCERNING CERTAIN DISCLOSURE REQUIREMENTS THAT APPLY TO**  
102 **STATEWIDE BALLOT MEASURES.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

**Section 1** of the bill makes legislative findings and declarations.

**Section 2** of the bill requires the secretary of state to notify the proponents of a statewide initiative petition at the time a petition is approved that the proponents must register an issue committee if 200 or more petition sections are printed or accepted in connection with

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

HOUSE  
Amended 2nd Reading  
April 21, 2010

circulation of the petition.

**Section 3** of the bill requires each person who submits written comments to the staff of legislative council for the general assembly in connection with drafting the arguments for and against the initiated or referred measures contained in the ballot information booklet (blue book) to provide certain identifying information. The arguments for and against each measure in the analysis section of the blue book shall be preceded by a phrase referencing the secretary of state's election center web site address containing information on those issue committees that support or oppose the measures at the upcoming election.

**Section 4** of the bill clarifies "major purpose" for purposes of the campaign and political finance provisions of the state constitution.

**Section 5** of the bill makes a conforming amendment.

**Section 6** of the bill requires an issue committee that makes an expenditure in excess of \$1,000 on a communication that is broadcast, printed, mailed, or delivered to disclose, in the communication produced by the expenditure, the name of the issue committee making the expenditure. The bill specifies how the disclaimer must appear in the communication.

**Section 7** of the bill specifies that upon a determination by the office of administrative courts that an issue committee knowingly or intentionally failed to file a report required pursuant to the state's campaign finance laws, the administrative law judge shall direct the issue committee to file any such report within 10 days and may, in addition to any other penalty, impose a penalty not to exceed \$20 for each contribution received and expenditure made by the issue committee that was not timely reported.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly  
3 hereby finds and declares that:

4 (a) Because statewide citizen-initiated ballot issues have become  
5 as prevalent on recent election ballots as the candidates for office and the  
6 consequences of the passage of those ballot issues oftentimes are as  
7 significant as the political positions of the candidates who are elected, the  
8 financial disclosure of the issue committees supporting or opposing the  
9 ballot issues under the campaign finance law should be the same as that  
10 for candidates;

1 (b) During the 2008 general election campaign, the estimated total  
2 amount expended by issue committees in support of and in opposition to  
3 statewide citizen-initiated ballot issues exceeded seventy million dollars;

4 (c) A substantial portion of the amount expended by issue  
5 committees during the election campaign was for television, radio, and  
6 print communications advocating the passage or defeat of a statewide  
7 ballot issue on the election ballot;

8 (d) The issue committees that expended substantial sums of  
9 money during the campaign to broadcast, print, mail, and deliver  
10 communications urging voters to support or oppose the statewide ballot  
11 issues on the election ballot were under no requirement of Colorado law  
12 to disclose to the voters the names of the issue committees paying for the  
13 communications;

14 (e) The absence of any disclosure or disclaimer requirement in  
15 connection with communications supporting or opposing statewide ballot  
16 issues leads to a perception of purposefully anonymous interests  
17 attempting to influence the outcome of the election on measures  
18 amending the state constitution or the Colorado Revised Statutes through  
19 the expenditure of large sums of money;

20 (f) The lack of a mandatory disclosure or disclaimer by issue  
21 committees expending moneys on these communications deprived the  
22 voters of information on the sources of election-related spending and calls  
23 into doubt the integrity of the statewide ballot issue election process;

24 (g) There is no evidence that requiring a disclosure or disclaimer  
25 in an issue committee communication as provided in section 1-45-108.3,  
26 Colorado Revised Statutes, as contained in section 6 of House Bill  
27 10-1370, enacted in 2010, will subject issue committees to threats,

1 harassment, or reprisals from either government officials or other persons.

2 **SECTION 2.** 1-40-113 (1), Colorado Revised Statutes, is  
3 amended to read:

4 **1-40-113. Form - representatives of signers.** (1) (a) Each  
5 section of a petition shall be printed on a form as prescribed by the  
6 secretary of state. No petition shall be printed, published, or otherwise  
7 circulated unless the form and the first printer's proof of the petition have  
8 been approved by the secretary of state. Each petition section shall  
9 designate by name and mailing address two persons who shall represent  
10 the signers thereof in all matters affecting the same. The secretary of  
11 state shall assure that the petition contains only the matters required by  
12 this article and contains no extraneous material. All sections of any  
13 petition shall be prenumbered serially, and the circulation of any petition  
14 section described by this article other than personally by a circulator is  
15 prohibited. Any petition section circulated in whole or in part by anyone  
16 other than the person who signs the affidavit attached to the petition  
17 section shall be invalid. Any petition section that fails to conform to the  
18 requirements of this article or is circulated in a manner other than that  
19 permitted in this article shall be invalid.

20 (b) THE SECRETARY OF STATE SHALL NOTIFY THE PROPONENTS AT  
21 THE TIME A PETITION IS APPROVED PURSUANT TO PARAGRAPH (a) OF THIS  
22 SUBSECTION (1) THAT THE PROPONENTS MUST REGISTER AN ISSUE  
23 COMMITTEE PURSUANT TO SECTION 1-45-108 (3.3) IF TWO HUNDRED OR  
24 MORE PETITION SECTIONS ARE PRINTED OR ACCEPTED IN CONNECTION  
25 WITH CIRCULATION OF THE PETITION.

26 **SECTION 3.** 1-40-124.5 (1.7), Colorado Revised Statutes, is  
27 amended to read:

1           **1-40-124.5. Ballot information booklet.** (1.7) (a) After  
2 receiving written comments from the public in accordance with section  
3 1 (7.5) (a) (II) of article V of the state constitution, but before the draft of  
4 the ballot information booklet is finalized, the director of research of the  
5 legislative council of the general assembly shall conduct a public meeting  
6 at which the director and other members of the legislative staff have the  
7 opportunity to ask questions that arise in response to the written  
8 comments. The director may modify the draft of the booklet in response  
9 to comments made at the hearing. The legislative council may modify the  
10 draft of the booklet upon the two-thirds affirmative vote of the members  
11 of the legislative council.

12           (b) (I) EACH PERSON SUBMITTING WRITTEN COMMENTS IN  
13 ACCORDANCE WITH SECTION 1 (7.5) (a) (II) OF ARTICLE V OF THE STATE  
14 CONSTITUTION SHALL PROVIDE HIS OR HER NAME AND THE NAME OF ANY  
15 ORGANIZATION THE PERSON REPRESENTS OR IS AFFILIATED WITH FOR  
16 PURPOSES OF MAKING THE COMMENTS.

17           (II) THE ARGUMENTS FOR AND AGAINST EACH MEASURE IN THE  
18 ANALYSIS SECTION OF THE BALLOT INFORMATION BOOKLET SHALL BE  
19 PRECEDED BY THE PHRASE: "FOR INFORMATION ON THOSE ISSUE  
20 COMMITTEES THAT SUPPORT OR OPPOSE THE MEASURES ON THE BALLOT AT  
21 THE (DATE AND YEAR) ELECTION, GO TO THE COLORADO SECRETARY OF  
22 STATE'S ELECTIONS CENTER WEB SITE HYPERLINK FOR BALLOT AND  
23 INITIATIVE INFORMATION (APPROPRIATE SECRETARY OF STATE WEB SITE  
24 ADDRESS).".

25           **SECTION 4.** 1-45-103 (12), Colorado Revised Statutes, is  
26 amended to read:

27           **1-45-103. Definitions.** As used in this article, unless the context

1 otherwise requires:

2 (12) (a) "Issue committee" shall have the same meaning as set  
3 forth in section 2 (10) of article XXVIII of the state constitution.

4 (b) FOR PURPOSES OF SECTION 2 (10) (a) (I) OF ARTICLE XXVIII OF  
5 THE STATE CONSTITUTION, "MAJOR PURPOSE" MEANS SUPPORT OF OR  
6 OPPOSITION TO A BALLOT ISSUE OR BALLOT QUESTION THAT IS REFLECTED  
7 BY:

8 (I) AN ORGANIZATION'S SPECIFICALLY IDENTIFIED OBJECTIVES IN  
9 ITS ORGANIZATIONAL DOCUMENTS AT THE TIME IT IS ESTABLISHED OR AS  
10 SUCH DOCUMENTS ARE LATER AMENDED; OR

11 (II) AN ORGANIZATION'S DEMONSTRATED PATTERN OF CONDUCT  
12 BASED UPON ITS:

13 (A) ANNUAL EXPENDITURES IN SUPPORT OF OR OPPOSITION TO A  
14 BALLOT ISSUE OR BALLOT QUESTION; OR

15 (B) PRODUCTION OR FUNDING, OR BOTH, OF WRITTEN OR  
16 BROADCAST COMMUNICATIONS, OR BOTH, IN SUPPORT OF OR OPPOSITION  
17 TO A BALLOT ISSUE OR BALLOT QUESTION.

18 (c) THE PROVISIONS OF PARAGRAPH (b) OF THIS SUBSECTION (12)  
19 ARE INTENDED TO CLARIFY, BASED ON THE DECISION OF THE COLORADO  
20 COURT OF APPEALS IN *INDEPENDENCE INSTITUTE V. COFFMAN*, 209 P.3d  
21 1130 (COLO. APP. 2008), CERT. DENIED, SECTION 2 (10) (a) (I) OF ARTICLE  
22 XXVIII OF THE STATE CONSTITUTION AND NOT TO MAKE A SUBSTANTIVE  
23 CHANGE TO SAID SECTION 2 (10) (a) (I).

24 **SECTION 5.** 1-45-108 (3.3), Colorado Revised Statutes, is  
25 amended to read:

26 **1-45-108. Disclosure.** (3.3) Subject to the provisions of  
27 subsection (7) of this section, each issue committee shall register with the

1 appropriate officer within ten calendar days of accepting or making  
2 contributions or expenditures in excess of two hundred dollars to support  
3 or oppose any ballot issue or ballot question OR UPON RECEIPT OF THE  
4 NOTICE FROM THE SECRETARY OF STATE PURSUANT TO SECTION 1-40-113  
5 (1) (b). If required to register under the requirements of this subsection  
6 (3.3), the registration of the issue committee shall include a statement  
7 containing the items listed in paragraphs (a) to (f) of subsection (3) of this  
8 section in connection with other committees and a political party.

9 **SECTION 6.** Article 45 of title 1, Colorado Revised Statutes, is  
10 amended BY THE ADDITION OF A NEW SECTION to read:

11 **1-45-108.3. Issue committees - disclaimer.** (1) AN ISSUE  
12 COMMITTEE MAKING AN EXPENDITURE IN EXCESS OF ONE THOUSAND  
13 DOLLARS ON A COMMUNICATION THAT SUPPORTS OR OPPOSES A  
14 STATEWIDE BALLOT ISSUE OR BALLOT QUESTION AND THAT IS BROADCAST  
15 BY TELEVISION OR RADIO, PRINTED IN A NEWSPAPER OR ON A BILLBOARD,  
16 DIRECTLY MAILED OR DELIVERED BY HAND TO PERSONAL RESIDENCES, OR  
17 OTHERWISE DISTRIBUTED SHALL DISCLOSE, IN THE COMMUNICATION  
18 PRODUCED BY THE EXPENDITURE, THE NAME OF THE ISSUE COMMITTEE  
19 MAKING THE EXPENDITURE.

20 (2) (a) THE DISCLAIMER REQUIRED BY SUBSECTION (1) OF THIS  
21 SECTION SHALL BE PRINTED ON THE COMMUNICATION CLEARLY AND  
22 LEGIBLY IN A CONSPICUOUS MANNER.

23 (b) IF THE COMMUNICATION IS BROADCAST ON RADIO, THE  
24 DISCLAIMER SHALL BE SPOKEN AT THE BEGINNING OR END OF THE  
25 COMMUNICATION.

26 (c) (I) IF THE COMMUNICATION IS BROADCAST ON TELEVISION, THE  
27 DISCLAIMER SHALL BE WRITTEN OR SPOKEN AT THE BEGINNING OR END OF

1 THE COMMUNICATION. IF THE DISCLAIMER IS WRITTEN, IT SHALL APPEAR  
2 FOR AT LEAST FOUR SECONDS OF ANY COMMUNICATION BROADCAST ON  
3 TELEVISION.

4 (II) THE WRITTEN DISCLAIMER REQUIRED BY SUBPARAGRAPH (I) OF  
5 THIS PARAGRAPH (c) SHALL APPEAR IN THE COMMUNICATION IN A  
6 CONSPICUOUS MANNER.

7 **SECTION 7.** 1-45-111.5, Colorado Revised Statutes, is amended  
8 BY THE ADDITION OF A NEW SUBSECTION to read:

9 **1-45-111.5. Duties of the secretary of state - enforcement -**  
10 **sanctions.** (3) UPON A DETERMINATION BY THE OFFICE OF  
11 ADMINISTRATIVE COURTS THAT AN ISSUE COMMITTEE FAILED TO FILE A  
12 REPORT REQUIRED PURSUANT TO SECTION 1-45-108, THE ADMINISTRATIVE  
13 LAW JUDGE SHALL DIRECT THE ISSUE COMMITTEE TO FILE ANY SUCH  
14 REPORT WITHIN TEN DAYS CONTAINING ALL REQUIRED DISCLOSURE OF ANY  
15 PREVIOUSLY UNREPORTED CONTRIBUTIONS OR EXPENDITURES AND MAY,  
16 IN ADDITION TO ANY OTHER PENALTY, IMPOSE A PENALTY NOT TO EXCEED  
17 TWENTY DOLLARS FOR EACH CONTRIBUTION RECEIVED AND EXPENDITURE  
18 MADE BY THE ISSUE COMMITTEE THAT WAS NOT TIMELY REPORTED.

19 **SECTION 8. Act subject to petition - specified effective date**  
20 **- applicability.** (1) This act shall take effect January 1, 2011; except  
21 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
22 of the state constitution against this act or an item, section, or part of this  
23 act within the ninety-day period after final adjournment of the general  
24 assembly, then the act, item, section, or part shall not take effect unless  
25 approved by the people at the general election to be held in November  
26 2010 and shall take effect on January 1, 2011, or on the date of the  
27 official declaration of the vote thereon by the governor, whichever is



1 later.

2 (2) The provisions of this act shall apply to any ballot issue  
3 petition that has a ballot title fixed by the title board on or after the  
4 applicable effective date of this act.