## HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

February 24, 2011 Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

<u>HB11-1065</u> be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

Amend printed bill, strike everything below the enacting clause and
 substitute:

3 "SECTION 1. Article 45 of title 1, Colorado Revised Statutes, is
4 amended BY THE ADDITION OF A NEW SECTION to read:

5 1-45-117.7. Public service advertising - prohibited
6 expenditures - penalties - definitions. (1) AS USED IN THIS SECTION,
7 UNLESS THE CONTEXT OTHERWISE REQUIRES:

8 "Advertisement" (a) MEANS ALL REPRESENTATIONS 9 DISSEMINATED IN ANY MANNER OR BY ANY MEANS THAT ARE 10 SPECIFICALLY DESIGNED TO REACH A LARGE AUDIENCE FOR THE PURPOSE 11 OF INDUCING, OR WHICH ARE LIKELY TO INDUCE, THE PURCHASE OF ANY GOOD OR SERVICE. "ADVERTISEMENT" INCLUDES AN ADVERTISEMENT 12 13 PLACED BY THE STATE LOTTERY DIVISION PURSUANT TO PART 2 OF ARTICLE 35 OF TITLE 24, C.R.S., A BILLBOARD, A BUS BENCH 14 15 ADVERTISEMENT, OR ANY SIMILAR TYPE OF PUBLIC COMMUNICATION.

16 (b) "ELECTED STATE OFFICIAL" OR "OFFICIAL" MEANS THE
17 GOVERNOR, LIEUTENANT GOVERNOR, SECRETARY OF STATE, STATE
18 TREASURER, ATTORNEY GENERAL, OR A MEMBER OF THE GENERAL
19 ASSEMBLY.

20 (c) "SOCIAL MEDIA" MEANS ANY ON-LINE TECHNOLOGY TOOL THAT
21 ENABLES PEOPLE TO COMMUNICATE EASILY BY MEANS OF THE INTERNET
22 TO SHARE INFORMATION AND RESOURCES. "SOCIAL MEDIA" WEB SITES ARE
23 DISTINGUISHED BY A HIGH DEGREE OF CONTENT THAT IS USER GENERATED,

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A HIGH DEGREE OF PARTICIPATION OR INTERACTION BETWEEN OR AMONG
 USERS, AND EASY INTEGRATION WITH OTHER WEB SITES. "SOCIAL MEDIA"
 INCLUDES TEXT, AUDIO, VIDEO, IMAGES, PODCASTS, AND OTHER FORMS OF
 MULTIMEDIA CONTENT.

5 (2) (a) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION (2), 6 NO STATE MONEYS MAY BE USED IN WHOLE OR IN PART FOR THE PAYMENT 7 OF THE COST OF ANY ADVERTISEMENT CONTAINING THE PROPER NAME OR 8 VISUAL OR AUDIO LIKENESS OF ANY PERSON WHO IS CURRENTLY SERVING 9 AS AN ELECTED STATE OFFICIAL; EXCEPT THAT THIS PARAGRAPH (a) SHALL 10 NOT APPLY TO ANY ADVERTISEMENT THAT IS REQUIRED BY LAW IN ORDER 11 FOR THE OFFICIAL TO UNDERTAKE HIS OR HER OFFICIAL DUTIES OR 12 FUNCTIONS, INCLUDING A LEGAL NOTICE IN WHICH THE NAME OF THE 13 OFFICIAL IS REQUIRED TO APPEAR.

14 (b) THE PROHIBITION SPECIFIED IN PARAGRAPH (a) OF THIS
15 SUBSECTION (2) SHALL NOT APPLY TO THE FOLLOWING FORMS OF PUBLIC
16 COMMUNICATION:

17 (I) ANY COMMUNICATION THAT IS DISSEMINATED OR DISTRIBUTED
18 BY MEANS OF A WEB SITE OWNED, OPERATED, OR MAINTAINED BY THE
19 STATE;

20 (II) AN EMAIL COMMUNICATION DISSEMINATED BY AN ELECTED
 21 STATE OFFICIAL;

(III) A TOWN HALL OR OTHER INFORMAL TYPE OF MEETING THAT
DRAWS PEOPLE IN A GIVEN GEOGRAPHIC AREA TOGETHER WITH AN
ELECTED STATE OFFICIAL TO DISCUSS PUBLIC BUSINESS, ANY
ADVERTISEMENT OR SIMILAR FORM OF COMMUNICATION DESIGNED TO
SOLICIT ATTENDANCE AT SUCH AN EVENT, AND ANY COMMUNICATION
SENT BY A PERSON EMPLOYED BY THE OFFICIAL INTENDED TO SOLICIT
ATTENDANCE AT SUCH AN EVENT;

(IV) ANY FORM OF MAILING DISTRIBUTED BY THE UNITED STATES
 POSTAL SERVICE; AND

31 (V) ANY INTERACTION BY AN ELECTED STATE OFFICIAL ON A
 32 SOCIAL MEDIA WEB SITE.

33 (3) ANY PERSON ALLEGING A VIOLATION OF SUBSECTION (2) OF 34 THIS SECTION MAY FILE A WRITTEN COMPLAINT PURSUANT TO SECTION 35 1-45-111.5 (1.5) (a). ANY PERSON WHO COMMITS A WILLFUL AND 36 INTENTIONAL VIOLATION OF THIS SECTION SHALL BE SUBJECT TO AND 37 PERSONALLY LIABLE FOR A CIVIL PENALTY EITHER OF AN AMOUNT THAT 38 IS AT LEAST DOUBLE AND UP TO FIVE TIMES THE TOTAL AMOUNT OF STATE 39 MONEYS EXPENDED IN VIOLATION OF THIS SECTION OR OF TWENTY 40 THOUSAND DOLLARS FOR EACH SUCH VIOLATION, WHICHEVER IS GREATER. 41 NO OFFICIAL ENGAGED IN A SUPERVISORY CAPACITY WITH RESPECT TO

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ANOTHER PERSON MAY BE SUBJECT TO THE CIVIL PENALTY AS A RESULT OF
 A VIOLATION CAUSED BY SUCH OTHER PERSON UNLESS THE OFFICIAL KNEW
 OR SHOULD HAVE KNOWN IN THE EXERCISE OF REASONABLE DILIGENCE
 THAT THE PERSON WAS COMMITTING A VIOLATION OF THIS SECTION.

- 5 SECTION 2. Effective date. This act shall take effect July 1,
  6 2011.
- 7 SECTION 3. Safety clause. The general assembly hereby finds,
  8 determines, and declares that this act is necessary for the immediate
  9 preservation of the public peace, health, and safety.".

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