# Second Regular Session Sixty-ninth General Assembly STATE OF COLORADO

# REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction HOUSE BILL 14-1335

LLS NO. 14-0944.01 Bob Lackner x4350

### HOUSE SPONSORSHIP

#### Moreno,

Jones,

SENATE SPONSORSHIP

#### House Committees State, Veterans, & Military Affairs

Senate Committees

# A BILL FOR AN ACT

- 101 **CONCERNING CAMPAIGN CONTRIBUTION LIMITS THAT ARE APPLICABLE**
- 102 TO CANDIDATE COMMITTEES FOR CANDIDATES WHO ARE NOT
- 103 AFFILIATED WITH A MAJOR POLITICAL PARTY.

## **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 <u>http://www.leg.state.co.us/billsummaries.</u>)

The bill permits a candidate committee established in the name of a candidate who is a write-in candidate, an unaffiliated candidate, or the candidate of a minor political party who is not running in a primary election to accept from any one person the aggregate contribution limit HOUSE 3rd Reading Unamended April 17, 2014

HOUSE Amended 2nd Reading April 16, 2014 applicable to the office he or she is seeking as specified in the campaign finance provisions of the state constitution at any point during the election cycle in which the candidate in whose name the candidate committee is accepting contributions is on the general election ballot.

The bill also permits a candidate committee established in the name of a candidate who is a write-in candidate, an unaffiliated candidate, or the candidate of a minor political party who is not running in a primary election to expend contributions received and accepted for the general election at any point during the election cycle in which the candidate in whose name the candidate committee is accepting contributions is on the general election ballot.

The bill conforms contribution requirements applicable to major political party candidates to minor political party candidates running in a primary election.

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

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**SECTION 1. Legislative declaration.** (1) The general assembly

3 hereby finds, determines, and declares that:

4 (a) Under section 3 (1) (b) of article XXVIII of the state
5 constitution, any person is limited from making an aggregate contribution
6 for a primary or general election in excess of four hundred dollars to a
7 candidate for the general assembly.

8 (b) In 2004, the general assembly enacted section 1-45-103.7 (3) 9 and (4), Colorado Revised Statutes, which effectively removed any 10 potential time limitations on when a candidate committee could accept 11 contributions when a primary election is involved. For moneys ostensibly 12 given for a primary election, the candidate committee could accept the 13 contribution and spend it during the general election and for moneys 14 ostensibly given for the general election, the committee could accept the 15 contribution and spend it even before the primary. Write-in candidates, 16 unaffiliated candidates, and candidates affiliated with minor political 17 parties who obtain a nomination for the general election without

competing in primary elections are not permitted this kind of flexibility
 in accepting and expending campaign contributions.

3 (c) The Colorado statute was challenged in federal court on the 4 grounds that the state law violates the rights to equal protection, political 5 expression, and association for individuals contributing to write-in 6 candidates, unaffiliated candidates, and nominees for the minor political 7 parties. Ultimately, the case reached the United States court of appeals for 8 the tenth circuit. In Riddle v. Hickenlooper, No. 13-1108 (10th Cir. 9 January 23, 2014), the tenth circuit held that the state statute violates the 10 contributors' right to equal protection. Because of these disparate 11 contribution limits, the statute created a basic favoritism between 12 candidates vying for the same office. Specifically, the candidates of the 13 major political parties may collect four hundred dollars from a single 14 contributor after earning a place on the general election ballot and spend 15 all of the money in the general election. By comparison, a write-in, 16 unaffiliated, or minor party candidate without a primary is permitted to 17 collect only two hundred dollars during the same general election 18 campaign. The court held that these discriminatory limits were not closely 19 drawn to the state's interest in battling corruption or the appearance of 20 corruption.

(d) By treating contributors differently based upon the political
affiliation of the candidate being supported, the statute impinged upon the
right to political expression for those who support write-in, unaffiliated,
or minor political party candidates who are not running in primary
elections and who are unable to obtain campaign contributions prior to
their nomination for the general election ballot. The court ruled that the
state's statutory classification violates the right to equal protection for

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individuals wishing to contribute to write-in, unaffiliated, and minor
 political party candidates when each candidate runs unopposed for the
 general election nomination.

4 (2) By enacting this act, the general assembly intends to correct 5 any constitutional infirmities in the state's statutory requirements 6 governing contribution limits in political campaigns as identified by the 7 tenth circuit court of appeals in the *Riddle* decision by permitting write-in, 8 unaffiliated, and minor political party candidates running unopposed for 9 the general election nomination to accept the aggregate contribution limit 10 from any person for the election cycle in which the candidate in whose 11 name the candidate committee is accepting contributions is on the general 12 election ballot. In this way, all contributors, regardless of the type of 13 candidate they are supporting, will face the same equal playing field.

SECTION 2. In Colorado Revised Statutes, 1-45-103.7, amend
(3) introductory portion and (4); and add (4.5) and (10) as follows:

16 1-45-103.7. Contribution limits - treatment of independent
expenditure committees - contributions from limited liability
companies - voter instructions on spending limits - definitions. (3) A
candidate committee ESTABLISHED IN THE NAME OF A CANDIDATE
affiliated with Either A MAJOR POLITICAL PARTY OR A MINOR
POLITICAL PARTY WHO IS RUNNING IN A PRIMARY ELECTION may accept:
(4) A candidate committee ESTABLISHED IN THE NAME OF A

CANDIDATE AFFILIATED WITH EITHER A MAJOR POLITICAL PARTY OR A
 MINOR POLITICAL PARTY RUNNING IN A PRIMARY ELECTION may expend
 contributions received and accepted for a general election prior to the date
 of the primary election in which the candidate in whose name the
 candidate committee is accepting contributions is on the primary election

ballot. A candidate committee established in the name of a candidate
 AFFILIATED WITH A MAJOR POLITICAL PARTY OR A MINOR POLITICAL PARTY
 RUNNING IN A PRIMARY ELECTION who wins the primary election may
 expend contributions received and accepted for a primary election in the
 general election.

6 (4.5) (a) A CANDIDATE COMMITTEE ESTABLISHED IN THE NAME OF 7 A CANDIDATE WHO IS A WRITE-IN CANDIDATE, AN UNAFFILIATED 8 CANDIDATE, OR THE CANDIDATE OF A MINOR POLITICAL PARTY WHO IS NOT 9 RUNNING IN A PRIMARY ELECTION MAY ACCEPT FROM ANY ONE PERSON 10 THE AGGREGATE CONTRIBUTION LIMIT SPECIFIED IN SECTION 3 (1) OF 11 ARTICLE XXVIII OF THE STATE CONSTITUTION APPLICABLE TO THE OFFICE 12 HE OR SHE IS SEEKING AT ANY POINT DURING THE ELECTION CYCLE IN 13 WHICH THE CANDIDATE IN WHOSE NAME THE CANDIDATE COMMITTEE IS 14 ACCEPTING CONTRIBUTIONS IS ON THE GENERAL ELECTION BALLOT.

15 (b) A CANDIDATE COMMITTEE ESTABLISHED IN THE NAME OF A 16 CANDIDATE WHO IS A WRITE-IN CANDIDATE, AN UNAFFILIATED 17 CANDIDATE, OR THE CANDIDATE OF A MINOR POLITICAL PARTY WHO IS NOT 18 RUNNING IN A PRIMARY ELECTION MAY EXPEND CONTRIBUTIONS RECEIVED 19 AND ACCEPTED IN ACCORDANCE WITH PARAGRAPH (a) OF THIS SUBSECTION 20 (4.5) AT ANY POINT DURING THE ELECTION CYCLE IN WHICH THE 21 CANDIDATE IN WHOSE NAME THE CANDIDATE COMMITTEE IS ACCEPTING 22 CONTRIBUTIONS IS ON THE GENERAL ELECTION BALLOT.

(10) FOR PURPOSES OF THIS SECTION, THE TERMS "UNAFFILIATED",
"MAJOR POLITICAL PARTY", AND "MINOR POLITICAL PARTY" HAVE THE
SAME MEANINGS AS SPECIFIED IN THE "UNIFORM ELECTION CODE OF
1992", ARTICLES 1 TO 13 OF THIS TITLE.

27 **SECTION 3.** Applicability. This act applies to the portion of any

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election cycle or for the portion of the calendar year remaining after the
 effective date of this act and for any election cycle or calendar year
 commencing after such effective date, whichever is applicable.

4 SECTION 4. Safety clause. The general assembly hereby finds,
5 determines, and declares that this act is necessary for the immediate
6 preservation of the public peace, health, and safety.