

STATE OF COLORADO

Department of State

1700 Broadway
Suite 200
Denver, CO 80290



Bernie Buescher

Secretary of State

William A. Hobbs

Deputy Secretary of State

October 6, 2010

Matthew Azer, Director
Office of Administrative Courts
633 17th Street, Ste 1300
Denver, CO 80202

Re: In the Matter of Campaign and Political Finance Violations alleged by Colorado Ethics Watch
Against Safe Streets Colorado.

Dear Mr. Azer:

Pursuant to Section 9(2)(a) of Article XXVIII of the Colorado Constitution, I am referring the above-referenced complaint to your office for assignment to an administrative law judge. Our office received the original complaint on October 6, 2010.

We expect the parties to direct all future pleadings and correspondence to your office.

Sincerely,

William A. Hobbs
Deputy Secretary of State

Enclosure (29 pgs)

cc: Respondent
Safe Streets Colorado
2950 N. Powers Boulevard
Colorado Springs, CO 80917

Complainant
Luis Toro
Colorado Ethics Watch
1630 Welton Street, Suite 415
Denver, CO 80202

SCANNED

PN 10/8/10

RECEIVED

OCT 5 2010

ELECTIONS
SECRETARY OF STATE

BEFORE THE SECRETARY OF STATE
STATE OF COLORADO

CASE NO.

IN THE MATTER OF THE COMPLAINT FILED BY COLORADO ETHICS
WATCH REGARDING ALLEGED CAMPAIGN AND POLITICAL FINANCE
VIOLATIONS BY SAFE STREETS COLORADO

COMPLAINT

Claimant Colorado Ethics Watch ("Ethics Watch"), by and through undersigned counsel, pursuant to Colo. Const. art. XXVIII and C.R.S. § 1-45-101. *et seq.*, asserts this Complaint against, and in support thereof alleges as follows:

1. Ethics Watch is a nonprofit organization authorized to conduct business in Colorado.
2. Ethics Watch is a "person" as that term is defined by Colo. Const. art. XXVIII, § 2(11) and C.R.S. § 1-45-103(13) and therefore is authorized to bring a complaint under section Colo. Const. art. XXVIII, § 9(2)(a) and C.R.S. § 1-45-111.5(1.5).
3. Safe Streets Colorado is an issue committee whose registered agent is Matthew Duran. The sole declared purpose of Safe Streets Colorado is to "support Initiative 92 for the November general election." A copy of Safe Streets Colorado's committee registration statement, filed August 26, 2010 and available in electronic format on the Secretary of State's TRACER website, is attached hereto as **Exhibit 1**.
4. Safe Streets Colorado issued a press release dated May 13, 2010, announcing its support for Initiative 92. A true copy of the press release, as posted at Safe Streets Colorado's website, safestreetscolorado.com, is attached hereto as **Exhibit 2**.
5. Upon information and belief, Safe Streets Colorado has rented a mail box at 2950 N. Powers Boulevard, Colorado Springs, Colorado, since May 2010.
6. On or about June 1, 2010, Safe Streets Colorado submitted an Application for Petition Entity License with the Colorado Secretary of State, a true copy of which is attached hereto as **Exhibit 3**, and paid the accompanying license fee.
7. On June 2, 2010, the Colorado Secretary of State issued a Petition Entity License to Safe Streets Colorado, a true copy of which is attached hereto as **Exhibit 4**.
8. On or about June 5, 2010, someone using the e-mail petitionentity@safestreetscolorado.com advertised for petition circulators to be paid \$8 per hour. A true copy of the ad is attached hereto as **Exhibit 5**.

9. On August 2, 2010, proponents of Initiative 92 submitted 5,849 petition sections to the office of the Colorado Secretary of State to qualify Initiative 92 for the 2010 Colorado general election ballot. Upon information and belief, a portion of the 5,849 petition sections were collected by Safe Streets Colorado or persons acting on its behalf.

10. On August 30, 2010, the Colorado Secretary of State issued a Statement of Sufficiency, which recited certain facts supporting the placement of Initiative 92 on the 2010 Colorado general election ballot as "Proposition 102." A true copy of the Statement of Sufficiency is attached hereto as **Exhibit 6**.

11. In an interview on Face the State Radio aired on or about September 18, 2010, M. Paul Donovan, the political director of commercial bail industry group Americans for the Preservation of Bail and a proponent of Proposition 102, said that half of the petitions submitted were circulated by paid circulators.

12. Safe Streets Colorado failed to file reports of contributions and expenditures with the Colorado Secretary of State when due on September 7 and September 20, 2010.

13. On September 22, 2010, Safe Streets Colorado filed two documents purporting to be reports of contributions or expenditures for the periods ending September 1 and September 15, 2010. Copies of these purported disclosures are attached hereto as **Exhibits 7 and 8**, respectively. The purported disclosures do not actually disclose any contributions or expenditures, however, they do reflect a balance of \$5500 as of September 1 and \$4200 as of September 15.

FIRST CLAIM FOR RELIEF
(Violation of C.R.S. § 1-45-108(3))

14. Ethics Watch repeats Paragraphs 1 – 13 above.

15. C.R.S. § 1-45-108(3) requires an issue committee to register with the appropriate officer, in this case the Colorado Secretary of State, before making or receiving any contributions.

16. Safe Streets Colorado accepted contributions or made expenditures in excess of \$200 prior to August 26, 2010, the date it finally filed its registration statement.

17. Pursuant to Colo. Const. art. XXIX, § 10 and C.R.S. § 1-45-111.5, Safe Streets Colorado should be fined \$50 per day from the date its contributions or expenditures exceeded \$200, through the date it finally filed its registration statement on August 20, 2010.

SECOND CLAIM FOR RELIEF
(Violation of C.R.S. § 1-45-108(1) and CPF Rules 4.1 and 4.4)

18. Ethics Watch repeats Paragraphs 1 – 17 above.

19. C.R.S. § 1-45-108(1) provides that issue committees “shall report to the appropriate officer their contributions received, including the name and address of each person who has contributed twenty dollars or more; expenditures made, and obligations entered into by the committee or party.”

20. Campaign Finance Rule 4.1 provides that “[a]ll contributions received of \$20 or more during a reporting period shall be listed individually on the contribution and expenditure report. All other receipts and contributions under \$20 may be reported in total as non-itemized contributions for the reporting period.”

21. Campaign Finance Rule 4.4 provides that “[a]ll expenditures made of \$20 or more during a reporting period shall be listed individually on the contribution and expenditure report. All other expenditures under \$20 during a reporting period may be reported in total as non-itemized expenditures.”

22. The reports filed by Safe Streets Colorado show that the group has accepted contributions and made expenditures, because those reports show totals of \$5500 and \$4200 at the end of the reporting period. However, the reports fail to disclose contributions and expenditures as required by law.

23. Safe Streets Colorado’s failure to report is ongoing.

24. Pursuant to Colo. Const. art. XXIX, § 10 and C.R.S. § 1-45-111.5, Safe Streets Colorado should be fined \$50 per day from September 22, 2010 through the earlier of the date of trial or the date Safe Streets Colorado files disclosures that comply with C.R.S. § 1-45-108(1) and CPF Rules 4.1 and 4.4.

WHEREFORE, Claimant Colorado Ethics Watch respectfully requests that the administrative law judge enter an order imposing upon Safe Streets Colorado fines in an amount to be proven at trial and granting such further relief as the Court deems proper.

DATED: October 5, 2010.



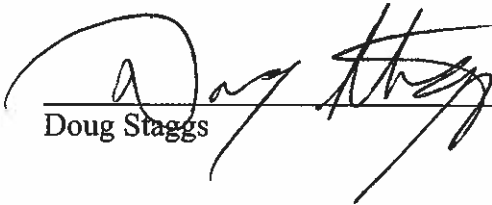
Luis Toro, # 22093
1630 Welton Street, Suite 415
Denver, CO 80202
303-626-2100

ATTORNEY FOR CLAIMANT

Certificate of Service

I hereby certify that on October 5, 2010 a true and correct copy of the foregoing complaint was hand delivered to the Secretary of State, Elections Division, and served by placing the same in the U.S. Mail, postage prepaid, to:

Safe Streets Colorado
2910 N. Powers Blvd.
Colorado Springs, CO 80917



Doug Staggs

EXHIBIT 1

Colorado Secretary of State
Elections Division
1700 Broadway, Ste. 270
Denver, CO 80290
Ph: (303) 894-2200 x 3
Fax: (303) 869-4861
www.sos.state.co.us



COMMITTEE REGISTRATION FORM
(C.R.S. 1-45-108)

Committee Name:	SAFE STREETS COLORADO
Registration Date:	08/26/2010
Type:	ISSUE COMMITTEE
Physical Address:	2910 NORTH POWERS BLVD COLORADO SPRINGS CO 80917
Mailing Address:	2910 NORTH POWERS BLVD COLORADO SPRINGS CO 80917
Phone Number:	(719) 355-7167
Alternate Phone:	
FAX Number:	
Web Address:	WWW.SAFESTREETSCOLORADO.COM
Jurisdiction:	STATEWIDE
Purpose:	SUPPORT PROPOSED INITIATIVE 92 FOR THE NOVEMBER GENERAL ELECTION.
Party:	
Election Year:	
Office:	
District:	

Financial Institution	
Institution Name:	WELLS FARGO
Institution Address:	500 N CIRCLE DR COLORADO SPRINGS CO 80909

Registered Agent	
Agent Name:	DURAN, MATTHEW
Phone Number:	(719) 355-7167
Alternate Phone:	
Agent Email:	MDURAN@SAFESTREETSCOLORADO.COM
Alternate Email1:	
Alternate Email2:	

EXHIBIT 2

EXHIBIT 3

RECEIVED

Application for Petition Entity License

JUN 01 2010

Office Use Only:

License #: 2010008

Date Issued: 6-2-10

Fee: 100.00

Any person or issue committee that provides compensation to a circulator to circulate a ballot petition must complete this form. It is unlawful for any petition entity to provide compensation to a circulator without first obtaining a license from the Colorado Secretary of State. Complete, sign, and return this form with the required attachments to the Colorado Secretary of State.

Please type or print legibly.

Application Type

This is an application for:

☒ New License

☐ Reinstatement of License

20103007768 C

\$ 100.00

SECRETARY OF STATE

06-01-2010 11:40:47

Contact Information

Petition Entity Name

Current Name Safe Streets Colorado

Petition Entity Address

Street Address 2910 North Powers Blvd

Apt/Unit

City Colorado Springs

State Colorado

Zip Code 80917

Petition Entity Telephone & Email Address

Phone Number +1 (719) 387-1178

Email Address

Petition Entity Designated Agent

First Name Robert

Last Name Millett

Attachments

The following items must be attached to this application

- The application fee of one hundred dollars (\$100.00); make check payable to the Colorado Secretary of State.
- A certificate of petition circulator training for a current representative of the petition entity.

Signature

Applicant's Affirmation

The petition entity, by and through its designated agent herein solemnly affirms under penalty of perjury that it shall not pay a circulator more than 20% of his/her compensation on a per signature or per petition basis, a current representative of the petition entity has read and understands Colorado petition laws as outlined in article 40, title 1, C.R.S., and has completed the training related to potential fraudulent activities in petition circulation provided by the Colorado Secretary of State, and that it will register with the Colorado Secretary of State in accordance with state law prior to circulating any petition.

Signature (Petition Entity Designated Agent)

Date

06-01-10

Mail, fax, or scan and email the signed form to:



Colorado Secretary of State
1700 Broadway, Suite 270
Denver, Colorado 80290
Phone: (303) 894-2200
Fax: (303) 869-4861
Email: sos.elections@sos.state.co.us

Print Form

RECEIVED

Certificate of Petition Circulator Training

JUN 01 2010

If you are a person or issue committee seeking a petition entity license, a current representative of the petition entity must complete the petition circulator training provided by the Colorado Secretary of State. This form must be completed, signed, and submitted with the application for petition entity license.

Any paid or volunteer circulator may complete the SOS petition training, however, he/she is not required to submit this form to the Colorado Secretary of State.

Please type or print legibly.

Circulator and/or Petition Entity Representative Name

First Name Robert

Last Name Millett

20103007768 C
\$ 100.00
SECRETARY OF STATE
06-01-2010 11:40:47

Date Training Completed

Date (DD/MM/YYYY) 05/12/2010

Petition Entity Name (If Applicable)

Current Name Safe Streets Colorado

Signature

Affirmation

By signing this document, I hereby state that I have completed the training related to potential fraudulent activities in petition circulation provided by the Colorado Secretary of State and that all of the information provided by me on this form is true to the best of my knowledge.

Signature

Date

06-01-10

Mail, fax, or scan and email the signed form to:



Colorado Secretary of State

1700 Broadway, Suite 270
Denver, Colorado 80290
Phone: (303) 894-2200
Fax: (303) 869-4861
Email: sos.elections@sos.state.co.us

Print Form

EXHIBIT 4

STATE OF COLORADO

DEPARTMENT OF STATE

Petition Entity License

This is to certify that

Safe Streets Colorado

has successfully completed the required training and application
for a Petition Entity License in the State of Colorado,
in accordance with 1-4-135, C.R.S.

This petition entity license was issued on June 2, 2010

Petition Entity License Number 2010008



A handwritten signature in cursive script, reading "Bernie Buescher". The signature is written in dark ink and is positioned above a horizontal line.

Secretary of State

EXHIBIT 5

<http://denver.craigslist.org/mar/1777444581.html>denver craigslist > jobs > marketing/advertising/PR jobs

6/5/10

Avoid scams and fraud by dealing locally! Beware any deal involving Western Union, Moneygram, wire transfer, cashier check, money order, shipping, escrow, or any promise of transaction protection/certification/guarantee. [More info](#)

Looking for Energetic People to Collect Signatures From Voters - \$8/hr (Denver Metro)

Date: 2010-06-05, 7:21PM MDT

Reply to: job-dbutu-1777444581@craigslist.org [Errors when replying to ads?]

Safe Streets Colorado is a licensed Petition Entity by the Colorado Secretary of State.

We are hiring bright and energetic people to collect signatures of registered voters on a petition for a ballot initiative. You can learn more about this ballot initiative by visiting our web site (www.safestreetscolorado.com)

Petition Circulators will be paid \$8.00 per hour, plus a bonus for making signature goals. We need people who can start immediately and work very hard over the next few weeks to gather signatures. It is possible that some petition circulators may be kept on in campaign positions after signature collection has ended.

If you are interested, email us at petitionentity@safestreetscolorado.com

We will be in touch with you quickly to schedule you for an interview. Thanks for your interest!

- Location: Denver Metro
- Compensation: \$8/hr
- Principals only. Recruiters, please don't contact this job poster.
- Please, no phone calls about this job!
- Please do not contact job poster about other services, products or commercial interests.

PostingID: 1777444581

EXHIBIT 6

STATE OF COLORADO**Department of State**

1700 Broadway
Suite 270
Denver, CO 80290

**Bernie Buescher**

Secretary of State

Judd Choate

Director, Elections Division

STATEMENT OF SUFFICIENCY

August 30, 2010

To Whom It May Concern:

On Monday, August 2, 2010, Matthew Duran and M. Paul Donovan, proponents of proposed initiative 2009-2010 #92, "Criteria for Setting Bail and Type of Bond", submitted 5,849 petition sections to the office of the Colorado Secretary of State. The proponents desire the initiative to appear on the November 2, 2010 general election ballot. The Secretary of State of Colorado, after review of the submitted petition sections by random sampling as provided in section 1-40-116, C.R.S., declares that a sufficient number of valid signatures have been submitted to certify the petition to the ballot.

Petition Summary:

Total number of qualified signatures submitted:	127,474
5% of qualified signatures submitted (random sample):	6,374
Total number of entries accepted (valid) from random sample:	4,577
Total number of entries rejected (invalid) from random sample:	1,797
Number of projected valid signatures from random sample:	91,536
Total number of accepted entries necessary for placement on ballot:	76,047
Projected percentage of required valid signatures:	120.37%

Pursuant to section 1-40-116(4), C.R.S., if the random sample verification establishes that the number of valid signatures is ninety percent or less than the number of registered eligible electors needed to find the petition sufficient, the petition shall be deemed insufficient; and if the random sample verification establishes that the number of valid signatures totals one hundred ten percent or more than the number of required signatures of registered eligible electors, the petition shall be deemed sufficient.

Pursuant to section 1-5-407(5) and (5.3), C.R.S., this initiative will be numbered "Proposition 102" on the November 2, 2010 general election ballot.

A record of all signatures rejected and reasons for each rejection are on file at the Secretary of State's office and will be maintained as public records.

Sincerely,

Bernie Buescher
Colorado Secretary of State

Main Number (303) 894-2200
TDD (303) 869-4867
Fax (303) 869-4861

Web Site
E-mail - Elections

www.sos.state.co.us
sos.elections@sos.state.co.us

EXHIBIT 7

Colorado Secretary of State
Elections Division
1700 Broadway, Ste. 270
Denver, CO 80290
Ph: (303) 894-2200 x 6383
Fax: (303) 869-4861
www.sos.state.co.us



REPORT OF CONTRIBUTIONS AND EXPENDITURES
[C.R.S. 1-45-108]

Full Name of Committee/Person:	SAFE STREETS COLORADO
Address of Committee/Person:	2910 NORTH POWERS BLVD
City, State & Zip Code:	COLORADO SPRINGS CO 80917
Committee Type:	Issue Committee
Financial Institution:	
Financial Institution Address:	
SOS ID NUMBER:	20105018509
Report Type:	SEPTEMBER 7, 2010 REPORT OF CONTRIBUTIONS AND EXPENDITURES
Electioneering Communication:	No

Reporting Period: Beginning Date: 07/29/2010 Ending Date: 09/01/2010

Declared Total Spending (if applicable):
[Art. XXVIII, Sec. 4(1)]

\$0.00

		Totals Detailed Summary Page
1	Funds on Hand at the Beginning of Reporting Period (monetary only)	\$0.00
2	Total Monetary Contributions (line 11)	\$0.00
3	Total of Monetary Contributions & Beginning Amount (line 1 + line 2)	\$0.00
4	Total Monetary Expenditures (line 18)	\$0.00
5	Funds on Hand at the End of Reporting Period (monetary) (line 3 - line 4)	ADJ \$5,500.00

The appropriate officer shall impose a penalty of \$50 per day for each day that a report is filed late.

[Art. XXVIII Sec. 10(2)(a)]

Registered Agent: MATTHEW DURAN

Filed Date: 09/22/2010

DETAILED SUMMARY

Full Name of Committee/Person: SAFE STREETS COLORADO

Reporting Period: Beginning Date: 07/29/2010 Ending Date: 09/01/2010

6	Monetary Itemized Contributions of \$20 or More [C.R.S. 1-45-108(1)] (a)] (Please list on Schedule "A")	\$0.00
7	Total Monetary Non-Itemized Contributions (Contributions of \$19.99 and Less)	\$0.00
8	Loans Received (Please list on Schedule "C")	\$0.00
9	Total Other Receipts (Interest, Dividends, etc.)	\$0.00
10	Returned Contributions (to donor) (Please list on Schedule "D")	\$0.00
11	Total Monetary Contributions (Total of lines 6 - 10)	\$0.00
12	Total Non-Monetary Contributions (From Statement of Non-Monetary Contributions)	\$0.00
13	Total Contributions (Line 11 + line 12)	\$0.00
14	Monetary Itemized Expenditures of \$20 or More [C.R.S. 1-45-108(1)] (a)] (Please list on Schedule "B")	\$0.00
15	Total Monetary Non-Itemized Expenditures (Expenditures of \$19.99 and Less)	\$0.00
16	Loan Repayments Made (Please list on Schedule "C")	\$0.00
17	Returned Expenditures (from recipient) (Please list on Schedule "D")	\$0.00
18	Total Monetary Expenditures (Total of lines 14 - 17)	\$0.00
19	Total Non-Monetary Expenditures (From Statement of Non-Monetary Expenditures)	\$0.00
20	Total Expenditures (Line 18 + line 19)	\$0.00

No data for Schedule A - Itemized Contributions

21

No data for Schedule B - Itemized Expenditures

22

No data for Schedule C - Loans

Schedule D - Returned Contributions and Expenditures

Full Name of Committee/Person: SAFE STREETS COLORADO

Returned Contributions

Returned Expenditures

No data for Schedule E - Non-Monetary Contributions

No data for Schedule E - Non-Monetary Expenditures

EXHIBIT 8

Colorado Secretary of State
Elections Division
1700 Broadway, Ste. 270
Denver, CO 80290
Ph: (303) 894-2200 x 6383
Fax: (303) 869-4861
www.sos.state.co.us



REPORT OF CONTRIBUTIONS AND EXPENDITURES
[C.R.S. 1-45-108]

Full Name of Committee/Person:	SAFE STREETS COLORADO
Address of Committee/Person:	2910 NORTH POWERS BLVD
City, State & Zip Code:	COLORADO SPRINGS CO 80917
Committee Type:	Issue Committee
Financial Institution:	
Financial Institution Address:	
SOS ID NUMBER:	20105018509
Report Type:	SEPTEMBER 20, 2010 REPORT OF CONTRIBUTIONS AND EXPENDITURES
Electioneering Communication:	No

Reporting Period: Beginning Date: 09/02/2010 Ending Date: 09/15/2010

Declared Total Spending (if applicable): \$0.00
[Art. XXVIII, Sec. 4(1)]

		Totals Detailed Summary Page
1	Funds on Hand at the Beginning of Reporting Period (monetary only)	\$5,500.00
2	Total Monetary Contributions (line 11)	\$0.00
3	Total of Monetary Contributions & Beginning Amount (line 1 + line 2)	\$5,500.00
4	Total Monetary Expenditures (line 18)	\$0.00
5	Funds on Hand at the End of Reporting Period (monetary) (line 3 - line 4)	ADJ \$4,200.00

The appropriate officer shall impose a penalty of \$50 per day for each day that a report is filed late.
[Art. XXVIII Sec. 10(2)(a)]

Registered Agent: MATTHEW DURAN

Filed Date: 09/22/2010

DETAILED SUMMARY

Full Name of Committee/Person: SAFE STREETS COLORADO

Reporting Period: Beginning Date: 09/02/2010 Ending Date: 09/15/2010

6	Monetary Itemized Contributions of \$20 or More [C.R.S. 1-45-108(1)] (a) (Please list on Schedule "A")	\$0.00
7	Total Monetary Non-Itemized Contributions (Contributions of \$19.99 and Less)	\$0.00
8	Loans Received (Please list on Schedule "C")	\$0.00
9	Total Other Receipts (Interest, Dividends, etc.)	\$0.00
10	Returned Contributions (to donor) (Please list on Schedule "D")	\$0.00
11	Total Monetary Contributions (Total of lines 6 - 10)	\$0.00
12	Total Non-Monetary Contributions (From Statement of Non-Monetary Contributions)	\$0.00
13	Total Contributions (Line 11 + line 12)	\$0.00
14	Monetary Itemized Expenditures of \$20 or More [C.R.S. 1-45-108(1)] (a) (Please list on Schedule "B")	\$0.00
15	Total Monetary Non-Itemized Expenditures (Expenditures of \$19.99 and Less)	\$0.00
16	Loan Repayments Made (Please list on Schedule "C")	\$0.00
17	Returned Expenditures (from recipient) (Please list on Schedule "D")	\$0.00
18	Total Monetary Expenditures (Total of lines 14 - 17)	\$0.00
19	Total Non-Monetary Expenditures (From Statement of Non-Monetary Expenditures)	\$0.00
20	Total Expenditures (Line 18 + line 19)	\$0.00

No data for Schedule A - Itemized Contributions

No data for Schedule B - Itemized Expenditures

No data for Schedule C - Loans

Schedule D - Returned Contributions and Expenditures

Full Name of Committee/Person: SAFE STREETS COLORADO

Returned Contributions

Returned Expenditures

No data for Schedule E - Non-Monetary Contributions

No data for Schedule E - Non-Monetary Expenditures