

**STATE OF COLORADO**  
**Department of State**  
1700 Broadway  
Suite 250  
Denver, CO 80290

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**Scott Gessler**  
**Secretary of State**

**Gary Zimmerman**  
**Chief of Staff**

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December 27, 2011

The Honorable John Morse, Chair  
Committee on Legal Services  
Colorado State Capitol  
Room 091  
Denver, CO 80203

*Re: Rule Review Bill*

Dear Senator Morse and Committee on Legal Services Members,

Thank you for the opportunity to explain my efforts to address the conflict in the state's campaign finance reporting schedule. As you know, shifting the primary date from the middle of August to the end of June created a conflict in the state's campaign finance reporting schedule.

Under state law, state candidates and committees file their campaign finance reports once every three months during off-years. The primary shift, combined with the technical language in another statute (which was intended to speed up reporting before the primary election) required candidates and committees active in 2012 to file reports every other week for 12 months. In order to provide clear guidance for filers and avoid an unintended, absurd result, I pursued rulemaking to indicate which law committees should follow.

Our citizens deserve clear guidance in filing campaign finance reports. This reporting conflict required leadership and a common sense approach to meeting the needs of Coloradans. I'm glad to say that our rule clearly provided the guidance necessary for our filers during the off-year. I properly balanced transparency without imposing overly burdensome regulations on the exercise of political speech.

Yet, it was made clear at the December 14 hearing that a strong majority of the Committee on Legal Services Members believe I did not have the statutory authority to reconcile the conflict in the law.

I also appreciate that several committee members do not believe biweekly reporting beginning July, 2011, and ending in June, 2012, would place an undue burden on candidates and committees.

In keeping with the legislature's prerogative, I have decided to immediately rescind the rule and defer to the General Assembly's leadership in correcting this conflict in state law. My office will immediately begin the process to formally adopt the rule and begin alerting candidates and committees to the new filing schedule beginning next year.

Candidates, political committees, small donor committees, independent expenditure committees, political organizations, and certain ballot issue committees already have a quarterly report due January 17, 2012 for the fourth quarter of 2011. Candidates and committees active next year will then have a report due January 30, 2012, for the period beginning January 1 and ending January 25, 2012. Subsequently, these filers will have a report due every other week for another five months, until the primary in late June. In addition, Colorado statutes identify reports due on May 2, 2012, and June 4, 2012.

Absent another decision from the Committee or General Assembly, I will not require retroactive reporting for the 14 biweekly reports between July 5, 2010 and January 3, 2011. Candidates and committees not active in the 2012 elections will continue to file quarterly reports.

I continue to believe the conflict in state law produces an absurd, unintended result that conflicts with other portions of Colorado law. But as Deputy Secretary of State Bill Hobbs stated at the committee hearing, I respect the committee's decision and will rescind the rule.

I look forward to helping craft a clear and responsible campaign finance filing schedule. In particular, small local candidate committees and political groups are the vast majority of political participants. They deserve an intuitive and relevant reporting schedule that captures the transparency that voters expect, without imposing overly burdensome regulations that discourage political participation.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Gessler", written in a cursive style.

Scott Gessler  
Secretary of State