STATE OF COLORADO Department of State

1700 Broadway, Suite 550 Denver, CO 80290



Jena M. Griswold Secretary of State

Christopher P. Beall Deputy Secretary of State

Notice of Proposed Rulemaking

Colorado Department of State Rules Concerning Campaign and Political Finance 8 CCR 1505-6

Date of notice: September 15, 2023

Date and time of public hearing: October 17, 2023, at 1:00 p.m.

I. Hearing Notice

As required by the State Administrative Procedure Act,¹ the Colorado Department of State gives notice of proposed rulemaking. The hearing is scheduled for October 17, 2023, at 1:00 p.m. in the Red Rocks Conference Room on the 5th floor of the Department of State's office at 1700 Broadway, Denver, CO 80290. **This meeting will be conducted in person and via webinar.** Details regarding how to join the webinar and testify online during the hearing are outlined in section VI of this notice.

II. Subject

The Department is considering amendments to the rules concerning campaign and political finance² to improve the administration and enforcement of Colorado campaign finance law.³

Specifically, the Department is considering additional rule amendments to Rule 1.5 clarifying that a committee, in part, refers to a political party committee and Rule 10.17 updating the contribution limit that political parties must adhere to for contributions to candidates for Governor, Secretary of State, State Treasurer, Attorney General, State Senate, State House of Representatives, State Board of Education, Regent of the University of Colorado, and District Attorney.

A detailed Statement of Basis, Purpose, and Specific Statutory Authority follows this notice and is incorporated by reference.

III. Statutory and constitutional authority

The Department proposes the rule revisions and amendments in accordance with the following statutory and constitutional provisions:

¹ Section 24-4-103(3)(a), C.R.S. (2022).

² 8 CCR 1505-CCR 6.

³ Article 45 of Title 1, C.R.S. (2022).

- Article XXVIII, Section 3(13) of the Colorado Constitution, which requires the Secretary of State to "calculate . . . and specify [contribution] limits in rules promulgated in accordance with article 4 of title 24, C.R.S., or any successor section."
- Article XXVIII, Section 8 of the Colorado Constitution, which requires the Secretary of State to "promulgate rules related to filing in accordance with article 4 of title 24, C.R.S."
- Article XXVIII, Section 9(1)(b) of the Colorado Constitution, which requires the Secretary of State to "[p]romulgate such rules, in accordance with article 4 of title 24, C.R.S., or any successor section, as may be necessary to administer and enforce any provision of [Article XVIII of the Colorado State Constitution]."
- Section 1-1-107(2)(a), C.R.S., (2022), which authorizes the Secretary of State "[t]o promulgate, publish and distribute...such rules as the secretary of state finds necessary for the proper administration and enforcement of the election laws."
- Section 1-45-111.5(1), C.R.S., (2022), which requires the Secretary of State to promulgate such rules "as may be necessary to enforce and administer any provision of" Article 45 of Title 1, C.R.S.

IV. Copies of draft rules

A preliminary draft of the proposed rules is posted on the Department of State's rules and notices of rulemaking website at:

 $\underline{https://www.coloradosos.gov/pubs/rule_making/hearings/2023/CPFRulesHearing20231017.html}$

You may also contact our office to request an editable electronic copy of the draft rules.

As required by the State Administrative Procedures Act,⁴ if changes are made before the hearing, revised proposed draft rules will be available to the public and posted on the website by **October 12, 2023**.

V. Opportunity to testify and submit written comments

The Department values your feedback in our rulemaking process, and we would very much like to hear your thoughts on the proposed amendments. Please review and consider the attached proposed draft rules.

Everyone will have the opportunity to testify and provide written comments concerning the rule amendments. You may submit written comments to <u>SoS.Rulemaking@coloradosos.gov</u> any time before and during the hearing. If you attend the hearing in person, you may submit written comments to the hearing panel as well. An additional opportunity to comment in writing will be

⁴ Section 24-4-103(3)(a), C.R.S. (2022). "Any proposed rule or revised proposed rule by an agency which is to be considered at the public hearing...shall be made available to any person at least five days prior to said hearing."

announced at the conclusion of the hearing. Information regarding how to testify via webinar during the hearing is provided in section VI of this notice.

All written comments will be posted online on the Department of State's website: https://www.coloradosos.gov/pubs/rule_making/hearings/2023/CPFRulesHearing20231017.html

We will redact apparent personal contact information, including home address, email address, and telephone number(s), from submissions before posting the information online, unless otherwise directed by the contributor. All written comments will be added to the official rulemaking record.

VI. Webinar and audio recording of hearing

Register to attend online

To join and listen to the hearing, you must register for the webinar: https://attendee.gotowebinar.com/register/1119092164225954396.

When you register, you must provide your full name and email address. Please provide additional contact information, including your address and telephone number. You may also provide your job title and organization. Lastly, indicate whether you plan to testify during the hearing. When you submit your registration, you should receive a confirmation email including details about how to join the webinar.

Hybrid hearing procedures

After the introduction and a brief summary of the rulemaking, we will open the hearing to testimony as follows:

- For the sake of efficiency, in-person attendees will be called upon first to provide their public comment. We will reference the sign-in sheet provided and individually call upon attendees who wish to provide their testimony. Once we have exhausted the in-person sign-in sheet, we will move forward with the testimony of online attendees.
- Referencing webinar registration records, we will identify and individually unmute online attendees who indicated their intent to testify during the hearing.
- Once we have exhausted that list, we will ask whether any additional attendees wish to testify. In-person attendees may raise their hands to indicate their intention to testify, and online attendees may raise/lower their hand by clicking the icon in their control panel.
- To ensure that the hearing is prompt and efficient, oral testimony may be time limited.

Before the hearing concludes, we will announce an additional opportunity to submit written comments and the associated deadline.

Webinar audio requirements

Please be advised: we strongly encourage attendees to join the webinar through their computer or the GoToWebinar app, even if they use their telephone to dial in for audio. To testify during the

hearing, you must use a computer or the GoToWebinar app to be unmuted and to utilize the "raise hand" feature within the webinar. If you access the webinar only by telephone, you may not appear in our webinar attendee list, meaning we will not be able to unmute you. Moreover, the raise your hand feature is only available to attendees who access the webinar by computer or by app. For the best audio, it is best to use your computer microphone and speakers or a headset or headphones, if you choose to testify. As outlined above, we will first receive online testimony from attendees whose registration indicates that they plan to provide testimony and then we will offer attendees the option to raise their hand.

Audio recording

After the hearing concludes, a recording will be available on our audio broadcasts page here: https://www.coloradosos.gov/pubs/info center/audioBroadcasts.html.

Office contact

If you have any questions or would like to submit written comments, please contact the Rulemaking and Legislative Policy Analyst at <u>SoS.Rulemaking@coloradosos.gov</u> or (303) 894-2200 ext. 6124.

Dated this 15th of September 2023.

Christopher P. Beall

Colorado Deputy Secretary of State

For

Jena Griswold

Colorado Secretary of State

STATE OF COLORADO Department of State

1700 Broadway, Suite 550 Denver, CO 80290



Jena M. Griswold Secretary of State

Christopher P. Beall Deputy Secretary of State

Draft Statement of Basis, Purpose, and Specific Statutory Authority

Colorado Department of State Rules Concerning Campaign and Political Finance 8 CCR 1505-6

September 15, 2023

I. Basis and Purpose

This statement explains proposed amendments to the Colorado Department of State rules concerning campaign and political finance. The amendments are intended to ensure uniform and proper administration, implementation, and enforcement of Colorado campaign finance law as follows:

- Amendments to Rule 1.5 clarify that a committee, in part, refers to a political party committee.
- Amendments to Rule 10.17.1 update incorrect contributions limits from political parties to the following elected offices: Governor, Secretary of State, State Treasurer, Attorney General, State Senate, State House of Representatives, State Board of Education, Regent of the University of Colorado, and District Attorney.

Other changes to rules not specifically listed are non-substantive and necessary for consistency with Department rulemaking format and style. Cross-references in rules are also corrected or updated.

II. Rulemaking Authority

The constitutional and statutory authority is as follows:

- Article XXVIII, Section 3(13) of the Colorado Constitution, which requires the Secretary of State to "calculate . . . and specify [contribution] limits in rules promulgated in accordance with article 4 of title 24, C.R.S., or any successor section."
- Article XXVIII, Section 8 of the Colorado Constitution, which requires the Secretary of State to "promulgate rules related to filing in accordance with article 4 of title 24, C.R.S."

² Article 45 of Title 1, C.R.S. (2022).

¹ 8 CCR 1505-6.

- Article XXVIII, Section 9(1)(b) of the Colorado Constitution, which requires the Secretary of State to "[p]romulgate such rules, in accordance with article 4 of title 24, C.R.S., or any successor section, as may be necessary to administer and enforce any provision of [Article XVIII of the Colorado State Constitution]."
- Section 1-1-107(2)(a), C.R.S., (2022), which authorizes the Secretary of State "[t]o promulgate, publish and distribute...such rules as the secretary of state finds necessary for the proper administration and enforcement of the election laws."
- Section 1-45-111.5(1), C.R.S., (2022), which requires the Secretary of State to promulgate such rules "as may be necessary to enforce and administer any provision of" Article 45 of Title 1, C.R.S.

Preliminary Draft of Proposed Rules

Colorado Department of State Rules Concerning Campaign and Political Finance 8 CCR 1505-6

September 15, 2023

Disclaimer:

In accordance with the State Administrative Procedure Act, this draft is filed with the Department of State and submitted to the Department of Regulatory Agencies.¹

This is a preliminary draft of the proposed rules that may be revised before the October 17, 2023, rulemaking hearing. If changes are made, a revised copy of the proposed rules will be available to the public and a copy will be posted on the Department of State's website no later than **October 12, 2023**.²

Please note the following formatting key:

Font effect	Meaning
Sentence case	Retained/modified current rule language
SMALL CAPS	New language
Strikethrough	Deletions
Italic blue font text	Annotations

1 Amendments to 8 CCR 1505-6 follow:

- Amendment to Rule 1.5 to clarify that a committee refers to a political party committee, not the entire political party:
 - 1.5 "Committee" as used generally in these rules includes candidate committee, political committee, small donor committee, issue committee, small-scale issue committee, independent expenditure committee, political party COMMITTEE, and political organization.
- 7 Amendments to Rule 10.17 concerning a grammatical error in section (a) and updating a numerical miscalculation from 2015 within section (i)'s table:
 - 10.17 Current adjusted limits

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10.17.1 Adjusted limits made in the first quarter of 2023 and effective until the next adjustment is made in 2027:

¹ Sections 24-4-103(2.5) and (3)(a), C.R.S. (2022). A draft must be submitted to the Department at the time that a notice of proposed rulemaking is filed with the Secretary of State.

² Section 24-4-103(4)(a), C.R.S. (2022). "[A]ny proposed rule or revised proposed rule by an agency which is to be considered at the public hearing...shall be made available to any person at least five days prior to said hearing."

1 (a) There is no adjustment to the contribution limits on individual donations to small donor committees outlined in Colo. Const. Article XXVIII, Section 2(14).

3 [No changes to sections (b) through (h).]

4 (i) This table contains the contribution limits listed in subsections (a)-(h).

Recipient:	Contributor:					
	Natural Person	,	Political committee	Small donor committee	Political party	
Political committee	\$725 per election cycle	\$725 per election cycle	\$725 per election cycle	\$725 per election cycle	\$725 per election cycle	
Small donor committee		Prohibited	Prohibited	Prohibited	Prohibited	
Governor (governor & lt. governor)				\$7,825 per election cycle*	\$ 789,025 789,060 per election cycle	
Secretary of state, state treasurer, attorney general	\$725 per election cycle*	\$725 per election cycle*		\$7,825 per election cycle*	\$ 157,750 157,805 per election cycle	
State senate				\$3,100 per election cycle*	\$ 28,375 28,395 per election cycle	
State house of representatives, state board of education, regent of the University of Colorado, district attorney	election cycle*	election cycle*	,	\$3,100 per election cycle*	\$ 20,475 20,500 per election cycle	
Political party	(\$3,875 at the	(\$3,875 at the	\$4,675 (\$3,875 at the state level) per year	,	Transfers within a party may be made without limitation.	
County candidate	\$1,425 per election cycle*	\$1,425 per election cycle*	\$1,425 per election cycle*	\$14,400 per election cycle*	\$25,475 per election cycle	
School district director	\$2,500 per	\$2,500 per	\$2,500 per	\$25,000 per	\$2,500 per election cycle	

^{*} A candidate may accept the contribution limit for both the primary election and the general election.