

**STATE OF COLORADO**  
**Department of State**

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**Mike Coffman**  
Secretary of State

**Holly Z. Lowder**  
Director, Elections Division

**NOTICE OF ADOPTION**

**Office of the Secretary of State**  
**Campaign and Political Finance Rules**  
**8 CCR 1505-6**

**December 14, 2007**

Pursuant to sections Article XXVIII, Section 9(1)(b) of the Colorado Constitution and 1-45-111.5(1), C.R.S. (2007) and the rulemaking provisions of the State Administrative Procedure Act, section 24-4-103, C.R.S. (2007), I, Mike Coffman, Colorado Secretary of State, do hereby adopt and give NOTICE of the permanent rule adoption this 14th day of December, 2007, of the amendments and revisions to the following Secretary of State Campaign and Political Finance Rules (8 CCR 1505-6), as follows (additions to the current rules are reflected in SMALL CAPS and deletions from current rules are shown in ~~stricken type~~).

Rule 1.1 is amended as follows:

- 1.1 "Business Activities". For the purposes of Article XXVIII, Section 3(4)(b)(I) and Rule ~~4.13~~ 4.12 of these rules:
- a. "Business activities" means any commercial activity involving the sale or exchange of goods or services, whether or not for profit, and any activity conducted for the production of revenue, other than the solicitation of voluntary donations.
  - b. "Cannot engage in business activities," means that the articles of incorporation and by-laws, either expressly or implicitly, prohibits the corporation from engaging in any business activities.

Rule 2.4 is amended as follows:

- 2.4 The purpose or nature of interest of the committee or party shall be included. A candidate committee shall identify the specific elective office sought upon registration. A political committee or small donor committee shall identify the TYPES of candidates being supported or opposed, SUCH AS PARTY AFFILIATION OR PUBLIC POLICY POSITION, AND IF KNOWN, THE SPECIFIC CANDIDATES BEING SUPPORTED OR OPPOSED.

Rule 2.8 is amended as follows:

2.8 A political committee that is subject to reporting pursuant to both section 1-45-108, C.R.S., and the "Federal Election Commission Act of 1971" may file with the appropriate officer a copy of the registration filed with the federal election commission and, insofar as such registration contains substantially the same information required by subsection (3) of section 1-45-108, C.R.S., the political committee shall be considered to have registered with the appropriate officer for purposes of subsection (3) of section 1-45-108, C.R.S. The political committee shall not be required to file disclosure reports if copies of the reports required to be filed with the Federal Election Commission (FEC) pursuant to the "Federal Election Commission Act of 1971", as amended, are filed with the appropriate officer or are electronically available in the office of the appropriate officer and if such reports include the information required by section 1-45-108, C.R.S. PURSUANT TO THE REQUIREMENT OF SECTION 1-45-108 (3.5) THAT SUCH COMMITTEES ARE SUBJECT TO "ALL OTHER LEGAL REQUIREMENTS", COMMITTEES FILING REPORTS WITH THE FEC IN ACCORDANCE WITH THIS RULE ARE SUBJECT TO THE FOLLOWING:

- A. ITEMIZATION OF ALL CONTRIBUTIONS AND EXPENDITURES OF TWENTY DOLLARS (\$20) OR MORE ON REPORTS FILED WITH THE FEC.
- B. THE OCCUPATION AND EMPLOYER OF ANY PERSON WHO HAS MADE A CONTRIBUTION OF ONE HUNDRED DOLLARS OR MORE MUST BE DISCLOSED ON REPORTS FILED WITH THE FEC.
- C. ONLY CONTRIBUTIONS RECEIVED BY THE COMMITTEE THAT ARE WITHIN CONTRIBUTION LIMITS ESTABLISHED BY COLORADO LAW SHALL BE USED TO SUPPORT OR OPPOSE STATE OR LOCAL CANDIDATES IN COLORADO.
- D. THE COMMITTEE SHALL DEPOSIT FUNDS INTO A SEPARATE ACCOUNT IN ACCORDANCE WITH ARTICLE XXVIII, SECTION 3(9) AND RULE 4.18 AND MAY, BUT SHALL NOT BE REQUIRED TO, SEGREGATE FUNDS INTENDED TO SUPPORT OR OPPOSE STATE OR LOCAL CANDIDATES IN COLORADO.

Rule 2.11 is amended as follows:

2.11 The "appropriate filing officer" for a political committee whose purpose is to support OR OPPOSE school board candidates or an issue committee whose purpose is to support or oppose a ballot issue, question, or measure for a school district not wholly contained within a single county shall be the county clerk and recorder of the county where the school district administrative offices are located.

Rule 3.10 is amended as follows:

3.10 Disposition of debt in anticipation of committee termination

- a. Notwithstanding any negative balance for a prior election cycle, all contributions received by a candidate committee in the current election cycle shall be subject to the limits on contributions FOR THE CURRENT ELECTION CYCLE AND SHALL BE REPORTED AS CONTRIBUTIONS FOR THE CURRENT ELECTION CYCLE. ~~set forth in section 3 of Article XXVIII of the Colorado Constitution pursuant to Section 3(13) of Article XXVIII and shall be reported accordingly.~~

- b. Any financial obligations incurred by a candidate committee in an election cycle that are not paid within a commercially reasonable period of time, not to exceed six (6) months after the close of that election cycle, shall be treated as “contributions” from the service provider or vendor extending credit.

Rule 4.2 is amended as follows:

- 4.2 When MANUALLY filing an amended report of contributions and expenditures, a new form shall be completed that includes the cover page of the report of contributions and expenditures, the detailed summary page, and any updated schedules listing only the amended information. [C.R.S. 1-45-109(4)(b)]

Rule 4.20 is amended as follows:

- 4.20 Political organizations. In the case of political organizations as defined in section 1-45-103(14.5), C.R.S.:

- 4.20.1 PURSUANT TO 1-45-108.5, C.R.S., POLITICAL ORGANIZATIONS SHALL ONLY REPORT CONTRIBUTIONS AND EXPENDITURES ~~The political organization shall report any contributions accepted of twenty dollars (\$20) or more during a reporting period and funds expended of twenty dollars (\$20) or more during a reporting period~~ for the purpose of “influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any state or local public office.”

- 4.20.2 Political organizations shall file according to the filing schedules set forth in section 1-45-108(2), C.R.S.

- a. For the purposes of this Rule, “off-election year” for a political organization shall mean every odd numbered year.
- b. For the purposes of this Rule, “major election” shall mean an election held in November of an even numbered year.

- 4.20.3 Political organizations shall not be required to file disclosure reports for reporting periods when no contributions ~~of twenty dollars (\$20) or more~~ were received and spending was less than twenty dollars (\$20).

- 4.20.4 Political organizations shall file all applicable disclosure reports required by section 1-45-103(14.5), C.R.S., with the appropriate filing officer. For the purposes of this rule, the appropriate filing officer shall be the same for political organizations as for political committees as outlined in section 1-45-109, C.R.S. [1-45-108.5]

Rule 9.2 is amended as follows:

- 9.2 All entities must keep a record of all expenditures AND SPENDING made for electioneering communications. All expenditures AND SPENDING of one thousand dollars or more per calendar year including name, address and method of communication, shall be listed individually on the electioneering report. [Article XXVIII, Sec. 6(1)]

New Rule 9.5 is adopted as follows:

9.5 SUBMISSION OF ELECTIONEERING COMMUNICATION DISCLOSURE REPORTS

9.5.1 CANDIDATE COMMITTEES, POLITICAL COMMITTEES, POLITICAL PARTY COMMITTEES, SMALL DONOR COMMITTEES, AND POLITICAL ORGANIZATIONS SHALL NOT BE REQUIRED TO FILE ELECTIONEERING COMMUNICATION REPORTS SEPARATE FROM THE COMMITTEE'S REGULARLY FILED DISCLOSURE REPORTS SO LONG AS ANY EXPENDITURE OR SPENDING SUBJECT TO SECTION 6, ARTICLE XXVIII OF THE COLORADO CONSTITUTION AND RULE 9.4 IS IDENTIFIED AS AN ELECTIONEERING COMMUNICATION. THE DISCLOSURE OF SUCH EXPENDITURES OR SPENDING ON A REGULARLY FILED REPORT SHALL INCLUDE THE NAME OF THE CANDIDATE REFERRED TO IN THE ELECTIONEERING COMMUNICATION.

These new and amended rules shall take effect twenty (20) days after publication in the Colorado Register in accordance with the State Administrative Procedures Act.

A written Statement of Basis, Purpose and Specific Statutory Authority is attached and hereby incorporated by reference herein.

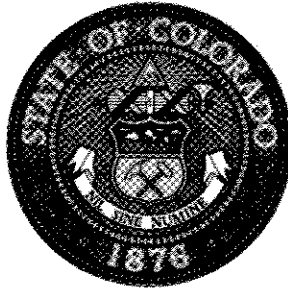
Dated this 14th Day of December, 2007.



William A. Hobbs  
Deputy Secretary of State

For

Mike Coffman  
Colorado Secretary of State



## **Statement of Basis, Purpose and Specific Statutory Authority**

**Office of the Secretary of State**  
**Campaign and Political Finance Rules**  
**8 CCR 1505-6**

**December 14, 2007**

### **1. Basis and Purpose**

This statement pertains to the amendments and revisions to the Colorado Secretary of State Rules Concerning Campaign and Political Finance for the administration of Colorado State Constitution Article XXVIII, and Article 45, Title 1 of the Colorado Revised Statutes. The amendments are implemented to achieve the uniform and proper administration and enforcement of the election laws of the State of Colorado.

The amendments and revisions to these rules are necessary for the administration and enforcement of Article XXVIII of the Colorado Constitution and Article 45, Title 1 of the Colorado Revised Statutes. The Secretary of State finds that the adoption and enactment of these amendments is necessary to answer questions arising under Article XXVIII of the Colorado Constitution and Article 45 of Title 1 of the Colorado Revised Statutes, and to implement amendments to the campaign and political finance laws made during the 2007 regular session of the 66<sup>th</sup> General Assembly.

The adoption of specific amendments to the Election Rules is necessary as follows:

- The amendments to Rules 1.1, 2.11, 3.10, 4.2 and 9.2 make technical corrections and clarifications.
- The amendments to Rule 2.4 clarify that, upon registration, a committee shall identify the types of candidate being supported or opposed, and if known, identifying the specific candidates being supported or opposed.
- The amendments to Rule 2.8 interpret section 1-45-108 (3.5) to require that a federal political committee who chooses not to register and file separate disclosure reports in Colorado is subject to: itemization at the twenty dollars (\$20) threshold on reports filed with the Federal Election Commission; disclosure of occupation and employer for contributions from natural persons of one hundred dollars (\$100) or more; contribution limits established by Colorado law; and the requirement to deposit the committee's funds into a separate account.

- The amendments to Rule 4.20 clarify that a political organization shall only report any contributions and expenditures for the purpose of “influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any state or local public office.”
- New Rule 9.5 clarifies that a committee need not file a separate electioneering communication disclosure report so long as the appropriate information, including the candidate’s name, is included in regularly scheduled filings.

The Secretary of State therefore finds that in order to ensure the uniform and proper administration and enforcement of the election laws, the permanent adoption of the amendments and revisions to the Campaign and Political Finance Rules is necessary both to comply with law and to preserve the public welfare generally.

## **2. Statutory Authority**

Amendments and revisions to the “Secretary of State Rules Concerning Campaign and Political Finance” are adopted pursuant to the following statutory and constitutional provisions:

1. Article XXVIII, Section 9(1)(b) of the Colorado Constitution, which authorizes the Secretary of State to:
 

“Promulgate 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].”
2. Section 1-1-107(2)(a), C.R.S., (2007), which authorizes the Secretary of State:
 

“To promulgate, publish, and distribute . . . such rules as the secretary of state finds necessary for the proper administration and enforcement of the election laws.”
3. Section 1-45-111.5(1), C.R.S., (2007), which authorizes the Secretary of State to:
 

“[P]romulgate such rules in accordance with article 4 of title 24, C.R.S., as may be necessary to enforce and administer any provision of [Article 45 of Title 1, C.R.S.].”