

SECRETARY OF STATE

[8 CCR 1505-6]

RULES CONCERNING CAMPAIGN AND POLITICAL FINANCE

Revised Draft of Proposed Rules

November 21, 2007

This draft supersedes the Preliminary Draft that was issued with the Notice of Proposed Rulemaking on October 30, 2007. This rulemaking hearing to be conducted on November 30, 2007 will use this Final Draft.

*Proposed additions to the current rules are reflected in SMALL CAPS or underlined. Proposed deletions from current rules are shown in ~~stricken type~~. **Shading** indicates revisions from the previous draft. Annotations may be included.*

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General Rules and Technical Revisions

Rule 1.1 would be 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 would be 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 candidates being supported or opposed, OR THE TYPES OF CANDIDATES BEING SUPPORTED OR OPPOSED.

Rule 2.11 would be 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

1 oppose a ballot issue, question, or measure for a school district not wholly contained
2 within a single county shall be the county clerk and recorder of the county where the
3 school district administrative offices are located.

4 Rule 3.10 would be amended as follows:

5 3.10 Disposition of debt in anticipation of committee termination

- 6 a. Notwithstanding any negative balance for a prior election cycle, all contributions
7 received by a candidate committee in the current election cycle shall be subject to
8 the limits on contributions FOR THE CURRENT ELECTION CYCLE AND SHALL BE
9 REPORTED AS CONTRIBUTIONS FOR THE CURRENT ELECTION CYCLE. ~~set forth in~~
10 ~~section 3 of Article XXVIII of the Colorado Constitution pursuant to Section~~
11 ~~3(13) of Article XXVIII and shall be reported accordingly.~~
- 12 b. Any financial obligations incurred by a candidate committee in an election cycle
13 that are not paid within a commercially reasonable period of time, not to exceed
14 six (6) months after the close of that election cycle, shall be treated as
15 “contributions” from the service provider or vendor extending credit.

16 Rule 4.2 would be amended as follows:

17 4.2 When MANUALLY filing an amended report of contributions and expenditures, a new form
18 shall be completed that includes the cover page of the report of contributions and
19 expenditures, the detailed summary page, and any updated schedules listing only the
20 amended information. [C.R.S. 1-45-109(4)(b)]

21 Rule 4.20 would be amended as follows:

22 4.20 Political organizations. In the case of political organizations as defined in section 1-45-
23 103(14.5), C.R.S.:

24 4.20.1 The political organization shall report any contributions accepted OF ANY AMOUNT
25 of twenty dollars (\$20) or more during a reporting period and funds expended of
26 twenty dollars (\$20) or more during a reporting period for the purpose of
27 “influencing or attempting to influence the selection, nomination, election, or
28 appointment of any individual to any state or local public office.”

29 4.20.2 Political organizations shall file according to the filing schedules set forth in
30 section 1-45-108(2), C.R.S.

31 a. For the purposes of this Rule, “off-election year” for a political
32 organization shall mean every odd numbered year.

33 b. For the purposes of this Rule, “major election” shall mean an election held
34 in November of an even numbered year.

1 4.20.3 Political organizations shall not be required to file disclosure reports for reporting
2 periods when no contributions of twenty dollars (\$20) or more were received and
3 spending was less than twenty dollars (\$20).

4 4.20.4 Political organizations shall file all applicable disclosure reports required by
5 section 1-45-103(14.5), C.R.S., with the appropriate filing officer. For the
6 purposes of this rule, the appropriate filing officer shall be the same for political
7 organizations as for political committees as outlined in section 1-45-109, C.R.S.
8 [1-45-108.5]

9 Rule 9.2 would be amended as follows:

10 9.2 All entities must keep a record of all expenditures AND SPENDING made for electioneering
11 communications. All expenditures AND SPENDING of one thousand dollars or more per
12 calendar year including name, address and method of communication, shall be listed
13 individually on the electioneering report. [Article XXVIII, Sec. 6(1)]
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15 ***Rules Concerning Electioneering Communications - Alternative 1***

16 New Rule 9.6 would be adopted as follows:

17 9.5 SUBMISSION OF ELECTIONEERING COMMUNICATION DISCLOSURE REPORTS

18 9.5.1 CANDIDATE COMMITTEES, POLITICAL COMMITTEES, POLITICAL PARTY COMMITTEES,
19 SMALL DONOR COMMITTEES, AND POLITICAL ORGANIZATIONS SHALL NOT BE
20 REQUIRED TO FILE ELECTIONEERING COMMUNICATION REPORTS SEPARATE FROM
21 THE COMMITTEE'S REGULARLY FILED DISCLOSURE REPORTS SO LONG AS ANY
22 EXPENDITURE OR SPENDING SUBJECT TO SECTION 6, ARTICLE XXVIII OF THE
23 COLORADO CONSTITUTION AND RULE 9.4 IS IDENTIFIED AS AN ELECTIONEERING
24 COMMUNICATION. THE DISCLOSURE OF SUCH EXPENDITURES OR SPENDING ON A
25 REGULARLY FILED REPORT SHALL INCLUDE THE NAME OF THE CANDIDATE
26 REFERRED TO IN THE ELECTIONEERING COMMUNICATION.
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28 ***Rules Concerning Electioneering Communications - Alternative 2***

29 New Rule 9.6 would be adopted as follows:

30 9.5 SUBMISSION OF ELECTIONEERING COMMUNICATION DISCLOSURE REPORTS

31 9.5.1 CANDIDATE COMMITTEES, POLITICAL COMMITTEES, POLITICAL PARTY COMMITTEES,
32 SMALL DONOR COMMITTEES, AND POLITICAL ORGANIZATIONS SHALL NOT BE
33 REQUIRED TO FILE ELECTIONEERING COMMUNICATION REPORTS SEPARATE FROM
34 THE COMMITTEE'S REGULARLY FILED DISCLOSURE REPORTS.

35 ***Rules Concerning Electioneering Communications - Alternative 3***

36 Rule 9.3 would be repealed as follows:

1 ~~9.3 The name of the candidate(s) unambiguously referred to in the electioneering~~
2 ~~communication shall be included in the electioneering report. [Article XXVIII, Sec.~~
3 ~~2(7)(I)]~~
4

5 **Rules Concerning Federal PACs:**

6 Rule 2.8 would be amended as follows:

7 2.8 A political committee that is subject to reporting pursuant to both section 1-45-108,
8 C.R.S., and the “Federal Election Commission Act of 1971” may file with the appropriate
9 officer a copy of the registration filed with the federal election commission and, insofar
10 as such registration contains substantially the same information required by subsection
11 (3) of section 1-45-108, C.R.S., the political committee shall be considered to have
12 registered with the appropriate officer for purposes of subsection (3) of section ~~1-45-~~
13 ~~1031-~~45-108, C.R.S. The political committee shall not be required to file disclosure
14 reports if copies of the reports required to be filed with the Federal Election Commission
15 (FEC) pursuant to the “Federal Election Commission Act of 1971”, as amended, are filed
16 with the appropriate officer or are electronically available in the office of the appropriate
17 officer and if such reports include the information required by section 1-45-108, C.R.S.
18 PURSUANT TO THE REQUIREMENT OF SECTION 1-45-108 (3.5) THAT SUCH COMMITTEES ARE
19 SUBJECT TO “ALL OTHER LEGAL REQUIREMENTS”, COMMITTEES FILING REPORTS WITH THE
20 FEC IN ACCORDANCE WITH THIS RULE ARE SUBJECT TO THE FOLLOWING:

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