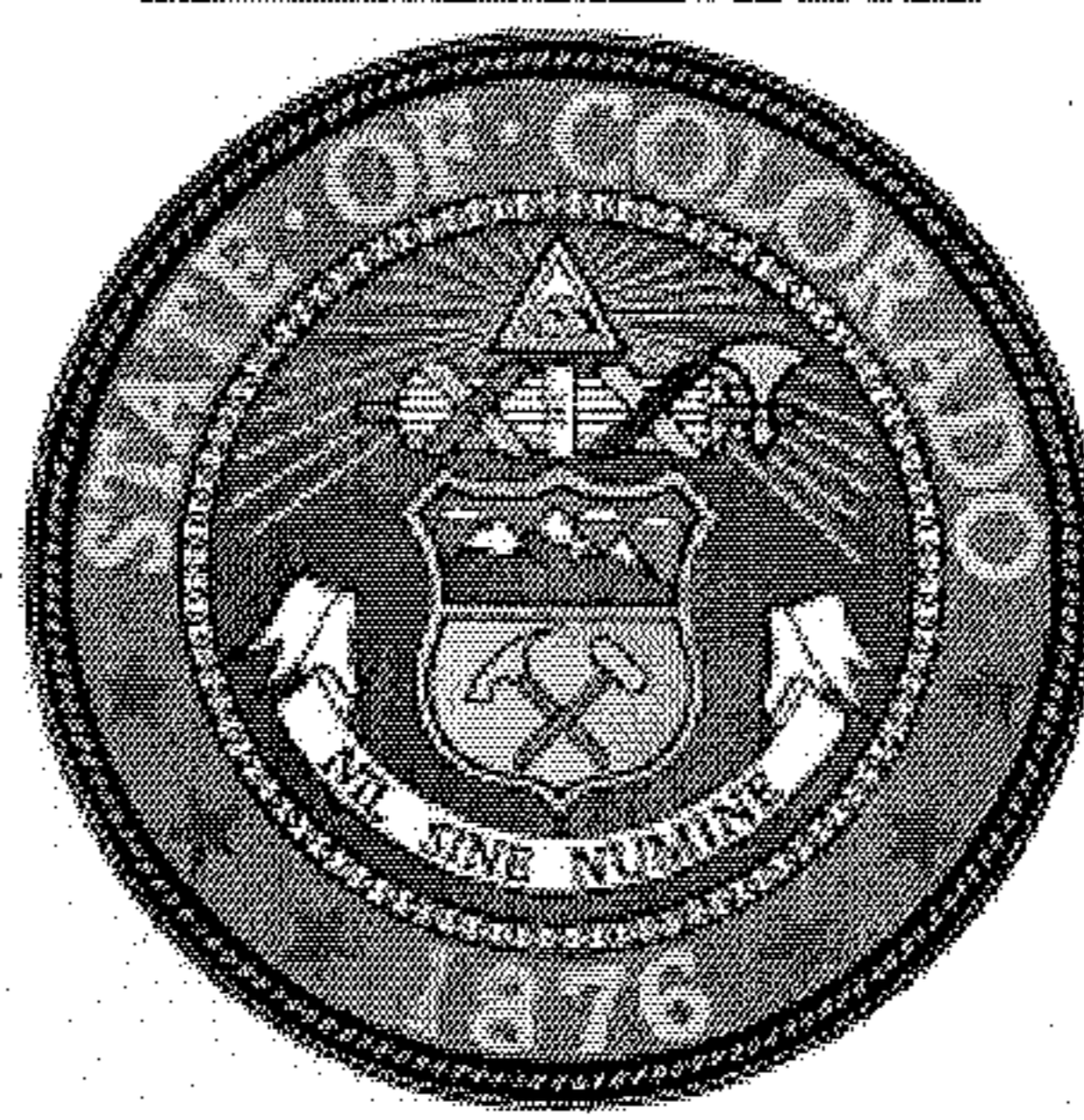


STATE OF COLORADO
Department of State

1700 Broadway
Suite 250
Denver, CO 80290



Mike Coffman
Secretary of State

Holly Z. Lowder
Director, Elections Division

NOTICE OF ADOPTION

Pursuant to sections 1-1-107(2)(a) and 1-1.5-104(1)(e), C.R.S. (2006) and the rulemaking provisions of the State Administrative Procedure Act, section 24-4-103, C.R.S. (2006), I, Mike Coffman, Colorado Secretary of State, do hereby adopt and give NOTICE of the permanent rule adoption this 8th day of February, 2007, of the amendments and revisions to the following Secretary of State Campaign and Political Finance Rules (8 CCR 1505-6), as follows (~~strikethrough~~ text represents deletions from the current rules and text in SMALL CAPS represents additions to the rules):

Rule 11 would be amended as follows:

11. — Fees.

~~11.1 — Effective April 2, 2007, for any disclosure report filed manually with the secretary of state pursuant to section 1-45-108 C.R.S., including any amendment, correction, or other statement that may be filed electronically, the secretary of state shall charge a fee for data entry and scanning based on the number of pages filed. In accordance with section 24-21-104, C.R.S., the fee shall be based on the direct and indirect costs incurred by the secretary of state for processing the report, which shall not exceed one dollar per page, and the report shall not be accepted for filing until the fee has been paid. The fee shall not be charged for a disclosure report filed electronically. [24-21-104 (1) and (3) (b); 24-21-111]~~

~~11.2 — Reports of no contributions and no expenditures (“Zero Reports”) shall be exempt from any fee established pursuant to this rule 11.~~

11. ELECTRONIC FILING.

11.1 EFFECTIVE OCTOBER 1, 2007, ALL DISCLOSURE REPORTS FILED WITH THE SECRETARY OF STATE PURSUANT TO ARTICLE XXVIII OF THE COLORADO CONSTITUTION AND ARTICLE 45 OF TITLE 1 OF THE COLORADO REVISED STATUTES SHALL BE FILED ELECTRONICALLY. REPORTS REQUIRED TO BE FILED ELECTRONICALLY WITH THE SECRETARY OF STATE UNDER THIS RULE THAT ARE PRESENTED FOR MANUAL FILING SHALL NOT BE ACCEPTED.

11.2 IN ACCORDANCE WITH SECTION 24-21-111, C.R.S., REPORTS ARE NOT REQUIRED TO BE FILED ELECTRONICALLY IN ANY OF THE FOLLOWING CIRCUMSTANCES:

11.2.1 AN INDIVIDUAL REPORT CONTAINS FEWER THAN THIRTY (30) ENTRIES.

11.2.2 THE SECRETARY OF STATE HAS GRANTED AN EXCEPTION TO THE ELECTRONIC FILING REQUIREMENT AFTER WRITTEN APPLICATION BASED ON HARDSHIP OR OTHER GOOD

CAUSE SHOWN. ALL APPLICATIONS FOR AN EXCEPTION SHALL INCLUDE A BRIEF STATEMENT OF THE HARDSHIP OR GOOD CAUSE FOR WHICH THE EXCEPTION IS SOUGHT. APPLICATIONS MUST BE RECEIVED BY THE SECRETARY OF STATE AT LEAST FIFTEEN (15) CALENDAR DAYS PRIOR TO THE FIRST APPLICABLE FILING DEADLINE IN THE ELECTION CYCLE, UNLESS THE EXCEPTION IS BASED ON EMERGENCY CIRCUMSTANCES ARISING AFTER SUCH DEADLINE, IN WHICH CASE THE NATURE OF THE EMERGENCY SHALL BE DESCRIBED IN THE APPLICATION. THE FILING OF AN APPLICATION FOR EXCEPTION BASED ON EMERGENCY CIRCUMSTANCES DOES NOT DELAY ANY REPORTING DEADLINES, HOWEVER, IF A PENALTY IS IMPOSED FOR FAILURE TO FILE A REPORT ON THE DATE DUE, THE PENALTY MAY BE SET ASIDE OR REDUCED IN ACCORDANCE WITH SECTION 10(2) OF ARTICLE XXVIII. THE SECRETARY OF STATE SHALL REVIEW AND RESPOND IN WRITING TO ALL APPLICATIONS FOR AN EXCEPTION WITHIN THREE (3) BUSINESS DAYS.

11.2.3 THE REPORT IS FILED USING THE SECRETARY OF STATE'S ELECTRONIC DATA INTERFACE (EDI) UPON APPROVAL OF THE SECRETARY OF STATE.

11.3 FOR THE PURPOSES OF THIS RULE 11, "ELECTRONIC FILING" IS DEFINED AS THE FILING OF REPORTS REQUIRED BY ARTICLE XXVIII OF THE COLORADO CONSTITUTION AND ARTICLE 45 OF TITLE 1 OF THE COLORADO REVISED STATUTES UTILIZING THE INTERNET SYSTEM CREATED BY THE SECRETARY OF STATE PURSUANT TO SECTION 1-45-109(6), C.R.S.

11.4 FOR THE PURPOSES OF THIS RULE 11, "ENTRY" IS DEFINED AS ANY CONTRIBUTION, EXPENDITURE, RETURNED CONTRIBUTION, OR EXPENDITURE, LOAN, OR LOAN REPAYMENT

New Rule 12 would be adopted as follows:

12. INFLATIONARY ADJUSTMENTS TO CONTRIBUTION AND VOLUNTARY SPENDING LIMITS

12.1 CALCULATION OF ADJUSTMENTS.

12.1.1 IN ACCORDANCE WITH SECTIONS 3(13) AND 4(7) OF ARTICLE XXVIII OF THE COLORADO CONSTITUTION, LIMITS ON CONTRIBUTIONS SET FORTH IN SECTION 2(14) AND SUBSECTIONS (1), (2), (3), AND (5) OF SECTION 3, AND THE VOLUNTARY LIMITS ON SPENDING SET FORTH IN SECTION 4(1), ARE ADJUSTED IN THE FIRST QUARTER OF 2007 AND SHALL BE ADJUSTED EVERY FOUR YEARS THEREAFTER, BASED ON THE PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX FOR THE DENVER-BOULDER-GREELEY AREA, OVER THE FOUR YEAR PERIOD IMMEDIATELY PRECEDING THE ADJUSTMENT.

12.1.2 IN DETERMINING THE ADJUSTED AMOUNT, THE PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX IS ROUNDED TO THE NEAREST WHOLE PERCENTAGE POINT. IN ACCORDANCE WITH SECTIONS 3(13) AND 4(7), ARTICLE XXVIII OF THE COLORADO CONSTITUTION, THE ADJUSTED LIMITS ARE ROUNDED TO THE NEAREST, LOWEST TWENTY-FIVE DOLLARS (\$25).


12.2 THERE IS NO ADJUSTMENT TO THE CONTRIBUTION LIMITS ON INDIVIDUAL DONATIONS TO SMALL DONOR COMMITTEES OUTLINED IN SECTION 2(14), ARTICLE XXVIII OF THE COLORADO CONSTITUTION.

- 12.3 THE AGGREGATE LIMITS ON CONTRIBUTIONS FROM ANY PERSON FOR A PRIMARY OR A GENERAL ELECTION, DESCRIBED IN SECTION 3(1), ARTICLE XXVIII OF THE COLORADO CONSTITUTION, ARE ADJUSTED AS FOLLOWS:
- A. FIVE HUNDRED TWENTY-FIVE DOLLARS (\$525) TO ANY ONE:
 - (I) GOVERNOR CANDIDATE COMMITTEE FOR THE PRIMARY ELECTION, AND GOVERNOR AND LIEUTENANT GOVERNOR CANDIDATE COMMITTEE, AS JOINT CANDIDATES UNDER 1-1-104, C.R.S., OR ANY SUCCESSOR SECTION, FOR THE GENERAL ELECTION;
 - (II) SECRETARY OF STATE, STATE TREASURER, OR ATTORNEY GENERAL CANDIDATE COMMITTEE.
 - B. THERE IS NO ADJUSTMENT TO THE LIMITS ON CONTRIBUTIONS TO ANY ONE STATE SENATE, STATE HOUSE OF REPRESENTATIVES, STATE BOARD OF EDUCATION, REGENT OF THE UNIVERSITY OF COLORADO, OR ANY DISTRICT ATTORNEY CANDIDATE COMMITTEE.
- 12.4 THE AGGREGATE LIMITS ON CONTRIBUTIONS FROM A SMALL DONOR COMMITTEE FOR A PRIMARY OR A GENERAL ELECTION, DESCRIBED IN SECTION 3(2), ARTICLE XXVIII OF THE COLORADO CONSTITUTION, ARE ADJUSTED AS FOLLOWS:
- A. FIVE THOUSAND THREE HUNDRED DOLLARS (\$5,300) TO ANY ONE:
 - (I) GOVERNOR CANDIDATE COMMITTEE FOR THE PRIMARY ELECTION, AND GOVERNOR AND LIEUTENANT GOVERNOR CANDIDATE COMMITTEE, AS JOINT CANDIDATES UNDER 1-1-104, C.R.S., OR ANY SUCCESSOR SECTION, FOR THE GENERAL ELECTION;
 - (II) SECRETARY OF STATE, STATE TREASURER, OR ATTORNEY GENERAL CANDIDATE COMMITTEE; AND
 - B. TWO THOUSAND ONE HUNDRED, TWENTY-FIVE DOLLARS (\$2,125) TO ANY ONE STATE SENATE, STATE HOUSE OF REPRESENTATIVES, STATE BOARD OF EDUCATION, REGENT OF THE UNIVERSITY OF COLORADO, OR ANY DISTRICT ATTORNEY CANDIDATE COMMITTEE.
- 12.5 THE AGGREGATE LIMITS ON CONTRIBUTIONS FROM ANY PERSON TO A POLITICAL PARTY, DESCRIBED IN SECTION 3(3)(A), ARTICLE XXVIII OF THE COLORADO CONSTITUTION, ARE ADJUSTED AS FOLLOWS:
- A. THREE THOUSAND ONE HUNDRED SEVENTY-FIVE DOLLARS (\$3,175) PER YEAR AT THE STATE, COUNTY, DISTRICT, AND LOCAL LEVEL COMBINED; AND
 - B. OF SUCH, NO MORE THAN TWO THOUSAND SIX HUNDRED FIFTY DOLLARS (\$2,650) AT THE STATE LEVEL.
- 12.6 THE AGGREGATE LIMITS ON CONTRIBUTIONS FROM A SMALL DONOR COMMITTEE TO A POLITICAL PARTY, DESCRIBED IN SECTION 3(3)(B), ARTICLE XXVIII OF THE COLORADO CONSTITUTION, ARE ADJUSTED AS FOLLOWS:

- A. FIFTEEN THOUSAND NINE HUNDRED DOLLARS (\$15,900) PER YEAR AT THE STATE, COUNTY, DISTRICT, AND LOCAL LEVEL COMBINED; AND
 - B. OF SUCH, NO MORE THAN THIRTEEN THOUSAND TWO HUNDRED FIFTY DOLLARS (\$13,250) AT THE STATE LEVEL.
- 12.7 THE AGGREGATE LIMITS ON PRO-RATA CONTRIBUTIONS OR DUES MADE TO POLITICAL COMMITTEES, DESCRIBED IN SECTION 3(5), ARTICLE XXVIII OF THE COLORADO CONSTITUTION, ARE ADJUSTED TO FIVE HUNDRED TWENTY-FIVE DOLLARS (\$525) PER HOUSE OF REPRESENTATIVES ELECTION CYCLE.
- 12.8 THE VOLUNTARY SPENDING LIMITS FOR A CANDIDATE DESCRIBED IN SECTION 4(1), ARTICLE XXVIII OF THE COLORADO CONSTITUTION ARE ADJUSTED AS FOLLOWS:
- A. THE SPENDING LIMIT FOR GOVERNOR, AND GOVERNOR AND LIEUTENANT GOVERNOR AS JOINT CANDIDATES UNDER 1-1-104, C.R.S., OR ANY SUCCESSOR SECTION SHALL BE ADJUSTED TO TWO MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS (\$2,650,000).
 - B. THE SPENDING LIMIT FOR A CANDIDATE FOR SECRETARY OF STATE, ATTORNEY GENERAL, OR TREASURER SHALL BE ADJUSTED TO FIVE HUNDRED THIRTY THOUSAND DOLLARS (\$530,000).
 - C. THE SPENDING LIMIT FOR A CANDIDATE FOR STATE SENATE SHALL BE ADJUSTED TO NINETY FIVE THOUSAND FOUR HUNDRED DOLLARS (\$95,400).
 - D. THE SPENDING LIMIT FOR A CANDIDATE FOR STATE HOUSE OF REPRESENTATIVES, STATE BOARD OF EDUCATION, REGENT OF THE UNIVERSITY OF COLORADO OR DISTRICT ATTORNEY SHALL BE ADJUSTED TO SIXTY EIGHT THOUSAND, NINE HUNDRED DOLLARS (\$68,900).

The permanent adoption of these rules shall take effect twenty (20) days after publication in the Colorado Register in accordance with the State Administrative Procedures Act.

Dated this 8th Day of February, 2007.



William A. Hobbs
Deputy Secretary of State

For

Mike Coffman
Colorado Secretary of State



Statements of Basis, Purpose and Specific Statutory Authority

Office of the Secretary of State

Amended and Revised Rule 11 and New Rule 12

Colorado Secretary of State Rules Concerning Campaign and Political Finance

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 implementation 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 specifically to implement the requirements of sections 3(13) and 4(7) of Article XXVIII of the Colorado Constitution, which require the adjustments of certain voluntary spending and contribution limits within the first quarter of 2007 and every four years thereafter.

The Secretary of State finds that the adoption and enactment of these amendments are further necessary to address questions that have arisen regarding the implementation of a fee for manual filings that was to become effective April 2, 2007. HB07-1032, which would establish a prohibition on the collection of such a fee, has raised questions regarding this rule. In 2004, SB04-231, sponsored by the Joint Budget Committee, was passed authorizing the Secretary of State to "require any filing to be made by electronic means" and reduced the department's funds in anticipation that the implementation of electronic filing would decrease staffing needs. The Secretary of State finds that the repeal of the rule concerning filing fees and the enactment of rules concerning the electronic filing of campaign finance reports is consistent with SB04-231, and is necessary and appropriate for the administration of campaign finance law.

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, Sections 3(13) and 4(7) of the Colorado Constitution, which require the Secretary of State to adjust the contribution and spending limits:
“by an amount based upon the percentage change over a four year period in the united states bureau of labor statistics consumer price index for Denver-Boulder-Greeley, all items, all consumers, or its successor index, rounded to the nearest lowest twenty-five dollars.”
2. 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].”
3. Section 1-1-107(2)(a), C.R.S., (2006), 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.”
4. Section 1-45-111.5(1), C.R.S., (2006), 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.].”
5. Section 24-21-111, C.R.S. (2006), which authorizes the Secretary of State to:
“require any filing to be made by electronic means as determined by the secretary of state.”