

## **NOTICE OF PROPOSED RULEMAKING**

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

**July 28, 2008**

Pursuant to the requirements of section 24-4-103(3)(a), C.R.S. (2007), notice of proposed rulemaking is hereby given by the Secretary of State. A rulemaking hearing will be held on **September 4, 2008 from 9:00 a.m. to 12:00 p.m.** in the Blue Spruce Conference Room on the second floor of the Office of the Secretary of State at 1700 Broadway, Denver, Colorado, 80290. All interested persons will be afforded an opportunity to be heard on the subject of revisions and amendments to the Secretary of State's "Rules Concerning Campaign and Political Finance," 8 C.C.R. 1505-6.

### **Subject of the Proposed Rulemaking**

The Secretary of State will consider amendments and revisions to the Colorado Secretary of State's "Rules Concerning Campaign and Political Finance" as may be necessary or appropriate to administer the provisions of Article XXVIII of the Colorado Constitution and Article 45 of Title 1, Colorado Revised Statutes. The revisions and amendments to be considered include the permanent adoption of an amendment to Rule 4.21.3 that was adopted on a temporary basis on July 28, 2008, concerning disclosure of contributions by Limited Liability Companies (LLCs). The Secretary of State may also consider such other rule amendments as may be necessary to answer questions arising under Article XXVIII of the Colorado Constitution and Article 45 of Title 1 of the Colorado Revised Statutes, and rules necessary to implement amendments to the campaign and political finance laws made during the 2008 regular session of the 66<sup>th</sup> General Assembly.

### **Authority for Proposed Rulemaking**

Additions and amendments to the Secretary of State's "Rules Concerning Campaign and Political Finance" [8 CCR 1505-6] are proposed pursuant to the following statutes and constitutional provisions:

1. Article XXVIII, Section 9(1)(b), Colorado Constitution, which authorizes 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 XXVIII of the Colorado State Constitution]."

2. Section 1-1-107(2)(a), C.R.S., (2007), 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.”

3. Section 1-45-111.5(1), C.R.S., (2007), which authorizes the Secretary of State to “promulgate such rules, in accordance with article 4 of title 24, C.R.S., as may be necessary to administer and enforce any provision of [article 45 of title 1 of the Colorado Revised Statutes].”

Copies of the initial draft of the proposed rules may be obtained from the office of the Secretary of State at 1700 Broadway, Suite 270, Denver, Colorado, 80290, or by calling (303) 894-2200, ext. 6329. An initial copy will be provided free of charge. The proposed rules are also posted on the Secretary of State website at [www.sos.state.co.us](http://www.sos.state.co.us). A final copy of the proposed rules for consideration at the rulemaking hearing will be posted on the Secretary of State website and made available to the public no later than August 29, 2008 in accordance with section 24-4-103(4)(a), C.R.S., (2007), which states that “[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.”

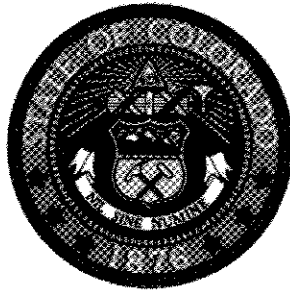
The rulemaking hearing on September 4, 2008 will be held in accordance with section 24-4-103, C.R.S., (2007). Written and oral data, comments, and arguments will be received from all interested parties. Written submissions must be filed at or before the commencement of the hearing on September 4, 2008 at 9:00 a.m. in order to be considered. Oral testimony may be limited in order to allow the proceedings to go forward with reasonable promptness and efficiency. The hearing will be audio recorded and broadcast over the Internet. The broadcast may be accessed through the Secretary of State website at [www.sos.state.co.us](http://www.sos.state.co.us) on the “Information Center” page under “Broadcast and Recorded Meetings.” For additional information, please contact Andrea Gyger, Elections Division at [andrea.gyger@sos.state.co.us](mailto:andrea.gyger@sos.state.co.us) or at (303) 894-2200, extension 6329.

Dated this 28<sup>th</sup> Day of July, 2008.



---

Mike Coffman  
Colorado Secretary of State



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

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

**July 28, 2008**

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

This statement pertains to the adoption of an amendment to Rule 4.21.3 of the Colorado Secretary of State's "Rules Concerning Campaign and Political Finance".

The amendment is necessary to achieve the uniform and proper administration and enforcement of the election laws and campaign finance laws of the State of Colorado including Article XXVIII of the Colorado Constitution and Article 45, Title 1 of the Colorado Revised Statutes. In particular, the amendment is intended to make permanent the temporary adoption of new Rule 4.21.3.1 on July 28, 2008. The amendment is further necessary to answer question from interested parties about the reporting of contributions by Limited Liability Companies (LLCs) after the passage of House Bill 08-1233.

#### **2. Statutory Authority**

Amendments and revisions to the Secretary of State's "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.]."

# COLORADO SECRETARY OF STATE

## 8 CCR 1505-6

### CAMPAIGN AND POLITICAL FINANCE RULES

#### Preliminary Draft of Proposed Rules

July 28, 2008

*Disclaimer: This draft is not yet final. The proposed changes to be considered at the public rulemaking hearing may be different than the proposed changes in this draft. This draft is submitted to the Department of Regulatory Agencies for the purpose of complying with section 24-4-103(2.5), C.R.S., which requires that a draft be submitted to the Department at the time that a notice of proposed rulemaking is filed with the Secretary of State.*

*A final copy of the proposed rule changes will be available to the public no later than August 29, 2008, and a copy will be posted on the Department of State's web site, in compliance with the requirement of section 24-4-103(4)(a), C.R.S., that "[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."*

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

1 Rule 4.21.3 would be amended as follows:

2 4.21.3 A committee that receives a ~~permissible~~ contribution from an LLC ~~that is~~  
3 ~~attributed to an LLC's member(s)~~ shall report AS SEPARATE CONTRIBUTIONS THE  
4 AMOUNT ATTRIBUTED TO EACH MEMBER. FOR SUCH CONTRIBUTION, the contributor  
5 SHALL BE IDENTIFIED BY THE NAME OF THE MEMBER, TOGETHER WITH THE NAME OF  
6 THE LLC, ~~as the LLC. The contributor shall not be reported as the member(s) to~~  
7 ~~whom the contribution was attributed.~~

8 4.21.3.1 ~~Notwithstanding anything in Rule 4.21.3 to the contrary, a~~  
9 ~~committee that receives a contribution from an LLC shall report as~~  
10 ~~separate contributions the amount attributed to each member. For each~~  
11 ~~such contribution, the contributor shall be identified by the name of the~~  
12 ~~member, together with the name of the LLC.~~