

SECRETARY OF STATE

[8 CCR 1505-6]

RULES CONCERNING CAMPAIGN AND POLITICAL FINANCE

Preliminary Draft of Proposed Rules

May 29, 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 June 26, 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 4.20.3 would be amended as follows:

2 4.20.3 Political organizations shall not be required to file disclosure reports for reporting
3 periods when no contributions were received and spending was less than twenty
4 dollars (\$20), EXCEPT THAT IF A CONTRIBUTION WAS RECEIVED FROM AN LLC IN
5 ANY AMOUNT, THE CONTRIBUTION MUST BE ITEMIZED AND A REPORT SHALL BE
6 FILED FOR THE APPROPRIATE REPORTING PERIOD.

7 Rule 4.21 would be amended as follows:

8 4.21 Disclosure of contributions by Limited Liability Companies (LLCs). [1-45-
9 103.7(5), (6), (7), and (8)]

10 4.21.1 The written affirmation provided by an LLC in accordance with section 1-
11 45-103.7, C.R.S., shall include the names and addresses of the LLC's
12 members and describe how the contribution is to be attributed to the
13 LLC's members.

1 4.21.2 The affirmation shall include the occupation and employer of any member
2 to whom a contribution of one hundred dollars (\$100) or more is
3 attributed.

4 4.21.3 A committee that receives a permissible contribution from an LLC that is
5 attributed to ~~one or more of the~~ AN LLC's member(s) shall report the
6 contributor as the ~~member or members to whom the contribution was~~
7 ~~attributed~~ LLC. The contributor shall not be reported as the ~~LLC if the~~
8 ~~contribution is attributed to one or more of the LLC's members~~
9 MEMBER(S) TO WHOM THE CONTRIBUTION WAS ATTRIBUTED.

10 4.21.4 Any contributions received by a committee from an LLC that does not
11 comply with the affirmation requirements set forth in section 1-45-103.7,
12 C.R.S., and this Rule 4.21 shall be returned to the contributor within thirty
13 (30) days.

14 4.21.5 NOTWITHSTANDING THE PROVISIONS OF RULE 4.1, EACH CONTRIBUTION
15 RECEIVED FROM AN LLC SHALL BE LISTED INDIVIDUALLY ON DISCLOSURE
16 REPORTS, REGARDLESS OF THE DOLLAR AMOUNT. DISCLOSURE SHALL
17 INCLUDE THE NAME AND ADDRESS OF THE LLC.

18 4.21.6 PURSUANT TO SECTION 1-45-103.7(5)(D)(II), C.R.S., ANY CONTRIBUTION
19 FROM AN LLC THAT IS ATTRIBUTED TO ITS INDIVIDUAL MEMBER(S) SHALL BE
20 SUBJECT TO THE CONTRIBUTION LIMITS ESTABLISHED IN SECTION 3 OF
21 ARTICLE XXVIII OF THE COLORADO CONSTITUTION, AS ADJUSTED BY
22 RULE 12, FOR THE LLC AND FOR THE INDIVIDUAL MEMBER(S) THAT THE
23 CONTRIBUTION IS ATTRIBUTED TO.

24 4.21.6.1 NOTWITHSTANDING THE AMOUNTS ATTRIBUTED TO EACH
25 INDIVIDUAL MEMBER OF AN LLC, NO LLC SHALL BE PERMITTED TO
26 MAKE A CONTRIBUTION THAT EXCEEDS THE LIMIT FOR A "PERSON"
27 ESTABLISHED IN SECTION 3 OF ARTICLE XXVIII OF THE COLORADO
28 CONSTITUTION, AS ADJUSTED BY RULE 12.

29 Rule 6.4 would be repealed as follows:

30 6.4 REPEALED. ~~Political organizations.~~

31 ~~6.4.1 If any person believes that a political organization has violated the~~
32 ~~provisions of section 1-45-108.5, C.R.S., the person may file a written~~
33 ~~complaint with the Secretary of State.~~

34 ~~a. The complaint shall include the information required by, and shall~~
35 ~~be submitted in accordance with Rule 6.3.~~

36 ~~b. If the complaint is complete, the secretary of state shall promptly~~
37 ~~transmit the complaint to the Division of Administrative Hearings~~
38 ~~in the Department of Personnel and Administration for~~

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~~consideration by an administrative law judge in accordance with
Rule 6.3.~~

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~~e. A political organization that has violated section 1-45-108.5,
C.R.S. shall not be subject to fines, but shall be ordered to comply
with the requirements of section 1-45-108.5, C.R.S.~~