



Revised Proposed Statement of Basis, Purpose, and Specific Authority

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

February 18, 2011

1. Basis and Purpose

This proposed statement pertains to the amendments to the Colorado Secretary of State “Rules Concerning Campaign and Political Finance.” The amendments and revisions to these rules are proposed to achieve the uniform and proper administration and enforcement of the campaign and political 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 Secretary of State proposes amendments in accordance with the requirements set forth in Article XXVIII, Section 3(13), concerning adjustments to campaign contribution limits. The Secretary of State shall also consider rule amendments as may be necessary to answer questions arising under Article XXVIII of the Colorado Constitution and Article 45 of Title 1, Colorado Revised Statutes.

The adoption of specific amendments to the Campaign and Political Finance Rules is necessary as follows:

- Amendments to Rule 6.3 are necessary to reflect a change in the name of a state agency.
- Amendments to Rule 8.1 would clarify campaign finance filing requirements for candidates in special district elections when such elections are cancelled.
- Amendments to Rule 12 would be made to reflect contribution limits adjusted for inflation over the previous four years as required by section 3(13), Article XXVIII of the Colorado Constitution. A worksheet of the inflationary calculation adjustment, based upon the percentage change over a four year period, is attached and hereby incorporated herein by reference.
- Rule 13 would be amended to clarify requirements for filing personal financial disclosures in accordance with section 1-45-110, C.R.S. for incumbents who elect to run for a second office.

2. Rulemaking Authority

Amendments to the Colorado 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 requires 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., (2010), 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., (2010), which requires 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.].”

Campaign Finance Inflationary Adjustments, First Quarter 2011

Inflationary adjustment as required by Colorado Constitution Article XXVII, sections 3(13) and 4(7).

For each adjustment, the calculation compares the Consumer Price Index data for the four years immediately preceding the adjustment (2006 annual through 2010 annual).

CPI-U Denver-Boulder-Greeley All Items

Year	Annual	Half 1	Half 2
2006	197.700	196.300	199.100
2007	202.029	201.258	202.799
2008	209.903	208.741	211.066
2009	208.548	207.444	209.652
2010	212.447	210.978	213.916

Date **Adjustment**
Q111 7.459%

Adjustment calculated by subtracting 2006 Annual Consumer Price Index (CPI) from 2010 Annual CPI and dividing by 2006 Annual CPI (here, $(212.447 - 197.700) / 197.700 = .07459$).

Initial Limit	Calculated Adjustment, 2007	Adjusted Limitation*, 2007	Calculated Adjustment**, 2011	Adjusted Limitation*, 2011
\$50	53	\$50	53.73	\$50
\$500	530	\$525	564.16	\$550
\$200	212	\$200	214.92	\$200
\$5,000	5,300	\$5,300	5,695.34	\$5,675
\$2,000	2,120	\$2,125***	2,256.64	\$2,250
\$2,500	2,650	\$2,650	2,847.67	\$2,825
\$3,000	3,180	\$3,175	3,411.83	\$3,400
\$12,500	13,250	\$13,250	14,238.35	\$14,225
\$15,000	15,900	\$15,900	17,086.03	\$17,075
\$65,000	68,900	\$68,900	74,039.45	\$74,025
\$90,000	95,400	\$95,400	102,516.15	\$102,500
\$500,000	530,000	\$530,000	569,534.19	\$569,525
\$2,500,000	2,650,000	\$2,650,000	2,847,670.97	\$2,847,650

* Equals calculated adjustment rounded to the nearest *lowest* \$25 as required by Article XXVII, sec. 3(13) and 4(7) of the Colorado Constitution.

** Calculated adjustment is found by multiplying 2007 Adjusted Limitation by the inflation adjustment + 1, or 1.07459.

*** Adjusted 2007 limitation is incorrect. It should be \$2,100.