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April 8, 2015

Wayne W. Williams  
Secretary  
Colorado Department of State  
1700 Broadway, Suite 200  
Denver, CO 80290

Re: Proposed Amendments to Rules Concerning Campaign and Political Finance

Dear Secretary Williams:

We appreciate this opportunity to provide feedback on behalf of certain clients and potential clients regarding the proposed recodification of Colorado's Rules Concerning Campaign and Political Finance. We welcome the Colorado Department of State's ("Department's") effort to clarify and streamline the administration and enforcement of Colorado campaign and political finance laws. However, the proposed amendment to Rule 7.1 would have the potentially inadvertent consequence of prohibiting a federal political committee ("PAC") from making contributions to candidates for state and local office in Colorado.

As you may know, a federal PAC that makes contributions to federal candidates is subject to the Federal Election Campaign Act of 1971, as amended ("FECA"), and may accept contributions from individual donors up to an amount of \$5,000 per calendar year. In contrast, a Colorado PAC may only accept contributions from individuals in an amount of \$550 per two-year House of Representatives election cycle.

Rule 7.1, as currently in effect, was drafted in order to ensure that contributions made in Colorado elections come solely from funds subject to the State's \$550 limit (described above) and reporting requirements while also recognizing that a federal PAC could raise funds up to FECA's \$5,000 limit to be used in federal elections. The accounting and reporting standards embodied in the current Rule maintain this balance by requiring a federal PAC to identify and disclose on its Colorado reports enough individual contributors who contribute within the State limits to account for all of the PAC's contributions in the State. At the same time, the Rule does not unnecessarily prohibit a federal PAC from raising funds up to the federal limits to be used in federal elections. This properly balances the interests of both the State and federal laws as other states with similar laws have done, including Arizona, Hawaii, Michigan, New Hampshire, Utah and Vermont.

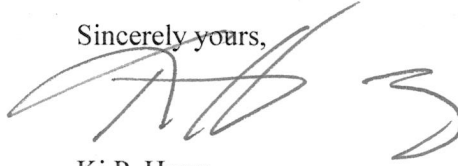
The proposed amendment to Rule 7.1 would eliminate this balance and subject federal PACs making contributions in Colorado elections to Colorado's contribution limits and reporting requirements across the board, even with respect to funds being raised to support federal candidates. Accordingly, federal PACs participating in Colorado elections would no longer be able to accept any contributions above the Colorado limit of \$550 per two-year cycle, far below the limits prescribed by FECA. The practical effect of this change would be to prevent federal PACs from making contributions to state and local candidates in Colorado.

As a result, we urge the Department to retain Rule 7.1 in its current form.

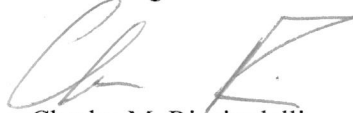
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Please do not hesitate to contact us at (202) 371-7017 with any questions.

Sincerely yours,

A handwritten signature in black ink, appearing to be 'KPH' with a flourish at the end.

Ki P. Hong

A handwritten signature in black ink, appearing to be 'C. Ricciardelli'.

Charles M. Ricciardelli