

Andrea Gyger

From: Andrea Gyger
Sent: Tuesday, April 28, 2015 2:48 PM
To: SoS Rulemaking
Subject: FW: Notice of Rulemaking - Proposed Rules Concerning Campaign and Political Finance

From: Ricciardelli, Charles M [<mailto:Charles.Ricciardelli@skadden.com>]
Sent: Tuesday, April 28, 2015 2:45 PM
To: Troy Bratton
Cc: Hong, Ki P
Subject: Notice of Rulemaking - Proposed Rules Concerning Campaign and Political Finance

Thank you for the opportunity to provide further comments on behalf of certain clients and potential clients to the Proposed Rules Concerning Campaign and Political Finance. While our preference, as expressed in our initial letter dated April 8, 2015, would be for the Secretary of State to retain Rule 7.1 in its current form, we appreciate the changes made in the Preliminary Draft issued on April 15 from the initial Working Draft of the Proposed Rules to clarify that, under the proposed amendments, Federal PACs would only be subject to Colorado requirements with respect to their Colorado activity. Specifically, the addition of the sentence in proposed Rule 7.1.1 stating that "[n]othing in this rule requires a Federal PAC to observe Colorado requirements for contributions, expenditures, or other campaign finance activity for federal elections or elections in states other than Colorado" is helpful. However, we would propose the two clarifications detailed below to ensure that Federal PACs may continue to make contributions to candidates for state and local office in Colorado.

First, we propose further clarifying that Federal PACs are not subject to Colorado's requirements with respect to contributions received, as well as those made, in connection with elections outside of Colorado. Second, we suggest adding language to clarify that the carve-out from Colorado's requirements for Federal PAC activity outside of Colorado applies equally to the PAC's reporting requirements. Specifically that, consistent with the view that Colorado maintains an interest in regulating a PAC's activity within the State, a Federal PAC need only 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, which must also be disclosed on such reports. These clarifications could be accomplished by revising and adding to the language in the newly proposed sentence in Rule 7.1.1 as follows:

"Nothing in this rule requires a Federal PAC that is registered as a state political committee in Colorado to observe Colorado requirements for contributions or expenditures made or received, or other campaign finance activity, in connection with federal elections or any other elections in jurisdictions other than Colorado. On its reports required to be filed with the Secretary of State, such Federal PACs are required to disclose only those contributions and expenditures made and received in connection with supporting or opposing candidates in Colorado and must do so in accordance with the itemization requirements under Colorado law. Contributions received and expenditures made by such a Federal PAC that are not used to support or oppose candidates in Colorado do not have to be disclosed on reports filed with the Secretary of State."

Sincerely,

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Further information about the firm, a list of the Partners and their professional qualifications will be provided upon request.

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