STATE OF COLORADO Department of State

1700 Broadway, Suite 550 Denver, CO 80290



Jena M. Griswold Secretary of State

Christopher P. Beall Deputy Secretary of State

Notice of Proposed Rulemaking

Colorado Department of State Rules Concerning Campaign and Political Finance 8 CCR 1505-6

Date of notice: February 15, 2023
Date and time of public hearing: March 21, 2023, at 1:00 p.m.

I. Hearing Notice

As required by the State Administrative Procedure Act,¹ the Colorado Department of State gives notice of proposed rulemaking. The hearing is scheduled for March 21, 2023, at 1:00 p.m. in the Red Rocks Conference Room on the 5th floor of the Department of State's office at 1700 Broadway, Denver, CO 80290. **This meeting will be conducted in person and via webinar.** Details regarding how to join the webinar and testify online during the hearing are outlined in section VI of this notice.

II. Subject

The Department is considering amendments to the rules concerning campaign and political finance² to improve the administration and enforcement of Colorado campaign finance law.³

Specifically, the Department proposes permanent adoption of temporary Rule 10.17 adopted on February 15, 2023.

A detailed Statement of Basis, Purpose, and Specific Statutory Authority follows this notice and is incorporated by reference.

III. Statutory and constitutional authority

The Department proposes the rule revisions and amendments in accordance with the following statutory and constitutional provisions:

¹ Section 24-4-103(3)(a), C.R.S. (2022).

² 8 CCR 1505-CCR 6.

³ Article 45 of Title 1, C.R.S. (2022).

- Article XXVIII, Section 3(13) of the Colorado Constitution, which requires the Secretary of State to "calculate . . . and specify [contribution] limits in rules promulgated in accordance with article 4 of title 24, C.R.S., or any successor section."
- Article XXVIII, Section 8 of the Colorado Constitution, which requires the Secretary of State to "promulgate rules related to filing in accordance with article 4 of title 24, C.R.S."
- Article XXVIII, Section 9(1)(b) of the Colorado Constitution, which requires 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 XVIII of the Colorado State Constitution]."
- Section 1-1-107(2)(a), C.R.S., (2022), 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."

IV. Copies of draft rules

A preliminary draft of the proposed rules is posted on the Department of State's rules and notices of rulemaking website at:

 $\underline{https://www.coloradosos.gov/pubs/rule_making/hearings/2023/CPFRulesHearing20230321.html}$

You may also contact our office to request an editable electronic copy of the draft rules.

As required by the State Administrative Procedures Act,⁴ if changes are made before the hearing, revised proposed draft rules will be available to the public and posted on the website by **March 16, 2023**.

V. Opportunity to testify and submit written comments

The Department values your feedback in our rulemaking process, and we would very much like to hear your thoughts on the proposed amendments. Please review and consider the attached proposed draft rules.

Everyone will have the opportunity to testify and provide written comments concerning the rule amendments. You may submit written comments to SoS.Rulemaking@coloradosos.gov any time before and during the hearing. If you attend the hearing in person, you may submit written comments to the hearing panel as well. An additional opportunity to comment in writing will be announced at the conclusion of the hearing. Information regarding how to testify via webinar during the hearing is provided in section VI of this notice.

All written comments will be posted online on the Department of State's website:

⁴ Section 24-4-103(3)(a), C.R.S. (2022). "Any 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."

https://www.coloradosos.gov/pubs/rule_making/hearings/2023/CPFRulesHearing20230321.html

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We will redact apparent personal contact information, including home address, email address, and telephone number(s), from submissions before posting the information online, unless otherwise directed by the contributor. All written comments will be added to the official rulemaking record.

VI. Webinar and audio recording of hearing

Register to attend online

To join and listen to the hearing, you must register for the webinar: https://attendee.gotowebinar.com/register/3533361309365366875.

When you register, you must provide your full name and email address. Please provide additional contact information, including your address and telephone number. You may also provide your job title and organization. Lastly, indicate whether you plan to testify during the hearing. When you submit your registration, you should receive a confirmation email including details about how to join the webinar.

Hybrid hearing procedures

After the introduction and a brief summary of the rulemaking, we will open the hearing to testimony as follows:

- For the sake of efficiency, in-person attendees will be called upon first to provide their public comment. We will reference the sign-in sheet provided and individually call upon attendees who wish to provide their testimony. Once we have exhausted the in-person sign-in sheet, we will move forward with the testimony of online attendees.
- Referencing webinar registration records, we will identify and individually unmute online attendees who indicated their intent to testify during the hearing.
- Once we have exhausted that list, we will ask whether any additional attendees wish to testify. In-person attendees may raise their hands to indicate their intention to testify, and online attendees may raise/lower their hand by clicking the icon in their control panel.
- To ensure that the hearing is prompt and efficient, oral testimony may be time limited.

Before the hearing concludes, we will announce an additional opportunity to submit written comments and the associated deadline.

Webinar audio requirements

Please be advised: we strongly encourage attendees to join the webinar through their computer or the GoToWebinar app, even if they use their telephone to dial in for audio. To testify during the hearing, you must use a computer or the GoToWebinar app to be unmuted and to utilize the "raise hand" feature within the webinar. If you access the webinar only by telephone, you may not appear in our webinar attendee list, meaning we will not be able to unmute you. Moreover, the raise your hand feature is only available to attendees who access the webinar by computer or by app. For the

best audio, it is best to use your computer microphone and speakers or a headset or headphones, if you choose to testify. As outlined above, we will first receive online testimony from attendees whose registration indicates that they plan to provide testimony and then we will offer attendees the option to raise their hand.

Audio recording

After the hearing concludes, a recording will be available on our audio broadcasts page here: https://www.coloradosos.gov/pubs/info_center/audioBroadcasts.html.

Office contact

If you have any questions or would like to submit written comments, please contact the Department Rulemaking Program Assistant at <u>SoS.Rulemaking@coloradosos.gov</u> or (303) 894-2200 ext. 6124.

Dated this 15th of February 2023.

Christopher P. Beall

Colorado Deputy Secretary of State

For

Jena Griswold

Colorado Secretary of State

STATE OF COLORADO Department of State

1700 Broadway, Suite 550 Denver, CO 80290



Jena M. Griswold Secretary of State

Christopher P. Beall Deputy Secretary of State

Draft Statement of Basis, Purpose, and Specific Statutory Authority

Colorado Department of State Rules Concerning Campaign and Political Finance 8 CCR 1505-6

February 15, 2023

I. Basis and Purpose

This statement explains amendments to the Colorado Department of State rules concerning campaign and political finance.¹ The amendments are intended to ensure uniform and proper administration, implementation, and enforcement of Colorado campaign finance law² as follows:

• Amendments to Rule 10.17 are necessary to comply with the requirements of Article XXVIII, Section 3(13) of the Colorado Constitution. This section of the state Constitution requires contribution limits to be adjusted for inflation every four years, beginning in the first quarter of 2007. The Department of State must calculate this adjustment and specify the new limits in rule.

Other changes to rules not specifically listed are non-substantive and necessary for consistency with Department rulemaking format and style. Cross-references in rules are also corrected or updated.

II. Rulemaking Authority

- Article XXVIII, Section 3(13) of the Colorado Constitution, which requires the Secretary of State to "calculate . . . and specify [contribution] limits in rules promulgated in accordance with article 4 of title 24, C.R.S., or any successor section."
- Article XXVIII, Section 8 of the Colorado Constitution, which requires the Secretary of State to "promulgate rules related to filing in accordance with article 4 of title 24, C.R.S."
- Article XXVIII, Section 9(1)(b) of the Colorado Constitution, which requires 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 XVIII of the Colorado State Constitution]."

¹ 8 CCR 1505-CCR 6.

² Article 45 of Title 1, C.R.S. (2022).

• Section 1-1-107(2)(a), C.R.S., (2022), 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."

Preliminary Draft of Proposed Rules

Colorado Department of State Rules Concerning Campaign and Political Finance 8 CCR 1505-6

February 15, 2023

Disclaimer:

In accordance with the State Administrative Procedure Act, this draft is filed with the Department of State and submitted to the Department of Regulatory Agencies.¹

This is a preliminary draft of the proposed rules that may be revised before the March 21, 2023, rulemaking hearing. If changes are made, a revised copy of the proposed rules will be available to the public and a copy will be posted on the Department of State's website no later than **March 16, 2023**.²

Please note the following formatting key:

Font effect	Meaning		
Sentence case	Retained/modified current rule language		
SMALL CAPS	New language		
Strikethrough	Deletions		
Italic blue font text	Annotations		

[Current 8 CCR 1505-6 is amended as follows:]

- 1 Amendments to Rule 10.17.1 concerning contribution limits:
- 2 10.17 Current adjusted limits

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- 10.17.1 Adjusted limits made in the first quarter of 2019-2023 and effective until the next adjustment is made in 2023-2027:

 There is no adjustment to the contribution limits on individual donations to
 - (a) There is no adjustment to the contribution limits on individual donations to small donor committees outlined in Article XXVIII, Section 2(14).
 - (b) The aggregate limits on contributions from any person for a primary or a general election, described in Colo. Const. Article XXVIII, Section 3(1), are adjusted as follows:
 - (1) \$625-725 to any one:
 - (A) Governor candidate committee for the primary election, and Governor and Governor and Lieutenant Governor candidate committee, as joint candidates under section 1-1-104, C.R.S., or any successor section, for the general election;

1 2			(B)	Secretary of State, State Treasurer, or Attorney General candidate committee.
3 4 5 6		(2)	State S Educa	is no adjustment to the limits on contributions \$225 to any one Senate, State House of Representatives, State Board of tion, Regent of the University of Colorado, or any District Attorney late committee.
7 8 9	(c)	or a g		limits on contributions from a small donor committee for a primary ection, described in Colo. Const. Article XXVIII, Section 3(2), are lows:
10		(1)	\$ 6,75 0	9-7,825 to any one:
11 12 13 14			(A)	Governor candidate committee for the primary election, and Governor and Lieutenant Governor candidate committee, as joint candidates under section 1-1-104, C.R.S., or any successor section, for the general election;
15 16			(B)	Secretary of State, State Treasurer, or Attorney General candidate committee; and
17 18 19		(2)	State I	5-3,100 to any one State Senate, State House of Representatives, Board of Education, Regent of the University of Colorado, or any t Attorney candidate committee.
20 21	(d)			limits on contributions from any person to a political party, olo. Const. Article XXVIII, Section 3(3)(a), are adjusted as follows:
22 23		(1)		5-4,675 per year at the state, county, district, and local level ned; and
24		(2)	Of suc	h, no more than \$ 3,350 -3,875 at the state level.
25 26 27	(e)		describe	limits on contributions from a small donor committee to a political ed in Colo. Const. Article XXVIII, Section 3(3)(b), are adjusted as
28 29		(1)		№5-23,600 per year at the state, county, district, and local level ned; and
30		(2)	Of suc	h, no more than \$ 16,925 -19,650 at the state level.
31 32 33	(f)	comm	ittees, de	limits on pro-rata contributions or dues made to political escribed in Colo. Const. Article XXVIII, Section 3(5), are adjusted er house of representatives election cycle.
34 35	(g)			limits on contributions to a county candidate as defined in section $S(a)(I)$, C.R.S. are as follows:
36 37		(1)		9-1,425 for a primary or a general election from any person other small donor committee or a political party;

1 2		(2)	\$ 12,500 -14,400 for a primary or a general election from any small donor committee; and
3		(3)	\$ 22,125- 25,475 for the election cycle from a political party.
4 5	(h)	The ag	gregate limits on contributions to candidates for school district director are ws:
6 7		(1)	\$2,500 per election cycle from any person other than a small donor committee; and
8		(2)	\$25,000 per election cycle from any small donor committee.
9	(i)	This tal	ole contains the contribution limits listed in subsections (a)-(h).

Recipient:	Contributor:				
	Natural Person	Person, other than a natural person	Political committee	Small donor committee	Political party
Political committee	\$ 625 -725 per election cycle	\$ 625 -725 per election cycle			
Small donor committee	\$50 per year	Prohibited	Prohibited	Prohibited	Prohibited
Governor (governor & It. governor)	\$ 625 -725 per election cycle*	\$ 625 -725 per election cycle*	\$ 625 -725 per election cycle*	\$6,750 7,825 per election cycle*	\$ 679,025 789,025 per election cycle
Secretary of state, state treasurer, attorney general	\$ 625 -725 per election cycle*	\$ 625 -725 per election cycle*	\$ 625 -725 per election cycle*	\$6,750 7,825 per election cycle*	\$135,775 157,750 per election cycle
State senate	\$ 200- 225 per election cycle*	\$ 200- 225 per election cycle*	\$ 200 -225 per election cycle*	\$ 2,675 3,100 per election cycle*	\$24,425 28,375 per election cycle
State house of representatives, state board of education, regent of the University of Colorado, district attorney	\$ 200- 225 per election cycle*	\$ 200- 225 per election cycle*	\$ 200- 225 per election cycle*	\$2,675 3,100 per election cycle*	\$17,625 20,475 per election cycle
Political party	\$4,025 4,675 (\$3,350 3,875 at the state level) per year	\$4,025 4,675 (\$3,350 3,875 at the state level) per year	\$4,025 4,675 (\$3,350 3,875 at the state level) per year	\$20,325 23,600 (\$16,925 19,650 at the state level) per year	Transfers within a party may be made without limitation.
County candidate	\$1,250 1,425 per election cycle*	\$1,250 1,425 per election cycle*	\$1,250 1,425 per election cycle*	\$12,500 14,400 per election cycle*	\$22,125 25,475 per election cycle
School district director	\$2,500 per election cycle	\$2,500 per election cycle	\$2,500 per election cycle	\$25,000 per election cycle	\$2,500 per election cycle

- * A candidate may accept the contribution limit for both the primary election and the general election.
- The voluntary spending limits for a candidate described in Colo. Const. Article XXVIII, Section 4(1), are adjusted as follows:
 - (1) The spending limit for Governor, and Governor and Lieutenant Governor as joint candidates under section 1-1-104, C.R.S., or any successor section is adjusted to \$3,395,275-3,945,300.
 - (2) The spending limit for a candidate for Secretary of State, Attorney General, or Treasurer is adjusted to \$679,025.
 - (3) The spending limit for a candidate for State Senate is adjusted to \$122,200-141,975.
 - (4) The spending limit for a candidate for State House of Representatives, State Board of Education, Regent of the University of Colorado, or any District Attorney is adjusted to \$88,225-102,500.

Candidate	Voluntary Spending Limit
Governor, and Governor and Lieutenant Governor as joint candidates	\$ 3,395,275 -3,945,300
Secretary of State, Attorney General, or State Treasurer	\$ 679,025 -789,025
State Senate	\$ 122,200 -141,975
State House of Representatives, State Board of Education, Regent of the University of Colorado, or District Attorney	\$ 88,225 -102,500