



Notice of Proposed Rulemaking

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

Date of notice: June 15, 2023

Date and time of public hearing: July 20, 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 July 20, 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 laws.³

Specifically, the Department is considering additional rule amendments including revisions necessary to ensure proper administration of legislation recently passed by the Colorado General Assembly, including Senate Bills 22-237 and 23-276 concerning measures to promote increased transparency of funds used in ballot measure campaigns and updates to the Fair Campaign Practices Act. This includes establishing reporting requirements for independent expenditures, direct ballot measure expenditures, and earmarked contributions and expenditures; detailing when an organization meets the major purpose standard; establishing a pleading threshold for all complaints submitted to the Elections Divisions campaign and political finance enforcement team; establishing an enforcement structure for complaints about the content of personal finance disclosures and a corresponding fine schedule; recodifying definitions rules in Rule 24.2 to Rule 1 and establishing new definition rules; eliminating obsolete provisions; simplifying the language of existing rules; removing language that is duplicative of statute or constitutional provisions; and

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

² 8 CCR 1505-6.

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

ensuring consistency with Department rulemaking standards. The Department may consider additional rule amendments.

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:

- 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 XXVIII 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.”
- Section 1-45-109(5)(e), C.R.S., (2022), which authorizes the Secretary of State to “promulgate rules necessary for the implementation of [the electronic campaign finance filing system, TRACER].”
- Section 1-45-109(6)(a), C.R.S., (2022), which authorizes the Secretary of State to promulgate rules for the use of the electronic campaign finance filing system, TRACER.
- Section 1-45-111.5(1), C.R.S., (2022), which requires the Secretary of State to promulgate such rules “as may be necessary to enforce and administer any provision of” Article 45 of Title 1, C.R.S.

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: https://www.coloradosos.gov/pubs/rule_making/hearings/2023/CPFRulesHearing20230720.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 **July 15, 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:

https://www.coloradosos.gov/pubs/rule_making/hearings/2023/CPFRulesHearing20230720.html

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/1502394010614557527>.

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

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."

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 Rulemaking and Legislative Policy Analyst at SoS.Rulemaking@coloradosos.gov or (303) 894-2200 ext. 6124.

Dated this 15th of June 2023.



Christopher P. Beall
Colorado Deputy Secretary of State

For

Jena Griswold
Colorado 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

June 15, 2023

I. Basis and Purpose

This statement explains proposed 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 laws,² and implement amendments necessary due to the passage of Senate Bill 22-237, enacted June 7, 2022; and Senate Bill 23-276, enacted June 6, 2023.

Specific proposed rule revisions include:

- Amendments to Rule 1 concerning definitions.
 - New Rule 1.10 defines “direct ballot measure expenditure”.
 - New Rule 1.11 defines “direct spending” as used in section 1-45-103(7.2), C.R.S., and throughout these rules.
 - Rule 1.12 is recodified from current Rule 24.2.5 and amended to include the term “elections division” used throughout these rules.
 - New Rule 1.14 defines “funding intermediary” as used in section 1-45-103(12)(b)(II)(E), C.R.S., and throughout these rules.
 - New Rule 1.25 defines “organization” as used in section 1-45-103(12)(b)(II), C.R.S., and throughout these rules.
 - New Rule 1.34 defines “respondent” as used throughout these rules.
 - New Rule 1.36 defines “substantial evidence” as used throughout these rules.
 - Rule 1.37 is renumbered from Rule 1.23 and amended.

¹ 8 CCR 1505-6.

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

- Other amendments to definitions involve technical, grammatical, and renumbering edits. Definition rules found in Rule 24.2 are re-codified throughout Rule 1.
- Amendments under Rule 2 concerning candidates and candidate committees.
 - Amendments to Rule 2.2.4 update the management of unexpended campaign funds, in accordance with the passage of SB 23-276.
 - Rule 2.2.4(a) clarifies existing rule language on what a candidate committee must report 35 days after the major election.
 - Rule 2.2.4(c)(1) clarifies that for a candidate committee seeking to transfer funds to a new candidate committee for a different office, any funds held in excess of the party limits of the prior office sought must be disbursed as is required by section 1-45-103.7(12)(b), C.R.S., and funds previously designated as unexpended funds from a prior election cannot be transferred to a new committee and must be disbursed, as required by section 1-45-106(a) and (b), C.R.S.
 - Rule 2.2.4(c)(5) is repealed as it is contradictory to statute, due to the passage of SB 23-276, and to the extent it is not contradictory, it repeats statutory requirements concerning the disbursement of campaign funds
 - Rule 2.2.4(d) is repealed as it is duplicative to statute and is replaced with more clarity in regard to the funds rolled over from a candidate's prior candidate committee to the new candidate committee and the political party limits placed on those funds.
 - Amendments to Rule 2.4 concerning personal financial disclosures.
 - Current Rules 2.4.1 through 2.4.5 are recodified to the subsections (a) through (e) of Rule 2.4.1. Amendments to Rule 2.4.1(d) clarify that all personal financial disclosure filings must be filed electronically and are publicly available online. Current Rule 2.4.6 has been repealed as it is no longer necessary due to the passage of SB 23-276.
 - New Rule 2.4.2 provides guidance for campaign and political finance complaints related to personal financial disclosures. This includes providing a list of documents a respondent may submit to the Elections Division's campaign and political finance enforcement team to rebut the allegations, clarification as to additional penalties for willful behavior, and the continuation of the complaint process even if the candidate is no longer obligated to file, supplement, or correct a personal financial disclosure.
- Amendments under Rule 4 concerning issue committees.
 - New Rule 4.3 clarifies the different major purpose standards for an organization engaging in statewide ballot measure advocacy or non-statewide ballot measure

advocacy and creates a rebuttable presumption sufficient to support an administrative complaint that the major purpose standard has been met for statewide ballot measure advocacy if a complaint was filed and the Division finds a potential violation and the organization has failed to provide substantial evidence that they have not met the major purpose standard.

- New Rules 5.1.4 through 5.1.6 clarify itemizing independent expenditure reporting. An independent expenditure committee must list all expenditures of \$250 or more during a reporting period, must list individual expenditures in amounts less than \$250 that aggregate to a total of \$250 or more, and may report all other expenditures of less than \$250 during a reporting period, in total, as non-itemized expenditures.
- Amendments under Rule 10 concerning the management of campaign contributions and expenditures.
 - Amendments to Rule 10.1.3 include the removal of outdated language and update a statutory citation.
 - New Rule 10.19 concerning the reporting of a direct ballot measure expenditure. Reporting is not required until after \$5,000 in the aggregate has been spent, and thereafter each additional \$1,000 must be reported. This rule also clarifies what information related to the expenditure must be disclosed.
 - New Rule 10.20 regarding earmarked contributions. This rule clarifies what is an earmarked contribution, specifically it is deemed to be earmarked if it includes or is accompanied by a direction or instruction which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a candidate, committee, or ballot measure. Earmarked contributions must include the name of the original source of the contribution and the person making the contribution in the committee's disclosure report.
- New Rule 12.3.5 clarifies when a candidate committee must terminate, in accordance with section 1-45-103.7(12)(a)(I) and (II), C.R.S.
- Amendments to Rule 19.1 include removing outdated language with the passage of SB 23-276 and fixing a grammatical error.
- Amendments under Rule 23 concerning complaints filed under section 1-45-111.7, C.R.S.
 - Amendments to Rule 23.1 include New Rule 23.1.3, concerning defining the plausibility pleading standard for a complaint, amendments to Rule 23.1.5, renumbered from current Rule 23.1.4, clarifying that late or missing filings are not subject to additional penalties not outlined in Rule 18, and incorporate necessary renumbering and grammatical changes.
 - Amendments to Rule 23.3.3 include clarification between late filing penalties and complaint fines and the creation of fines for failure to file, failure to file an accurate

or complete personal financial disclosure, and violations stemming from the improper spending of public funds on a campaign.

- Definition rules in Rule 24.2 are recodified throughout Rule 1. Recodification is necessary to ensure that definitions used in multiple campaign and political finance rules are in Rule 1. Current Rules 24.3 through 24.22 are renumbered to Rules 24.2 through 24.21.

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

The constitutional and statutory authority is as follows:

- 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 XXVIII 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.”
- Section 1-45-109(5)(e), C.R.S., (2022), which authorizes the Secretary of State to “promulgate rules necessary for the implementation of [the electronic campaign finance filing system, TRACER].”
- Section 1-45-109(6)(a), C.R.S., (2022), which authorizes the Secretary of State to promulgate rules for the use of the electronic campaign finance filing system, TRACER.
- Section 1-45-111.5(1), C.R.S., (2022), which requires the Secretary of State to promulgate such rules “as may be necessary to enforce and administer any provision of” Article 45 of Title 1, C.R.S.

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

June 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 July 20, 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 **July 15, 2023**.²

Please note the following formatting key:

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

1 *Amendments to 8 CCR 1505-6 are as follows:*

2 *Amendments to Rule 1 include recodifying the definition rules in Rule 24.2, New Rules, and amendments*
3 *to current rules:*

4 *Rule 1.1 is recodified from current Rule 24.2.1 with a citation amendment:*

5 1.124.2.4 “Administrative complaint” means a complaint alleging that one or more violations of
6 COLO. CONST. Article XXVIII of the Colorado Constitution, Article 45 of Title 1, C.R.S., such other
7 constitutional or statutory provisions that are incorporated or referenced therein, or the rules has
8 occurred and that is filed by the division, or its designee, with a hearing officer pursuant to
9 sections 1-45-111.7(5) and (7), C.R.S.

10 *Rule 1.2 is recodified from current Rule 24.2.2:*

11 1.224.2.2 “Agency” or “Department” means the Colorado Department of State.

12 *[Not shown: renumbering current Rule 1.1 to Rule 1.3.]*

13 *Amendments to current Rule 1.2, renumbering to Rule 1.4 and concerning a grammatical change:*

¹ Sections 24-4-103(2.5) and (3)(a), C.R.S. (2022). A draft must be submitted to the Department at the time that a notice of proposed rulemaking is filed with the Secretary of State.

² Section 24-4-103(4)(a), C.R.S. (2022). “[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.”

1 1.4.2 “Business Activities” for purposes of Colo. Const. Article XXVIII:

2 1.4.14.2.1 “Business activities” means providing goods or services that result in income or
3 any other revenue-generating activity not expressly for political purposes.

4 1.4.24.2.2 “Cannot engage in business activities,” means that the articles of incorporation
5 and bylaws, either expressly or implicitly, prohibit the corporation from engaging in any
6 business activities.

7 *[McConnell v. Federal Elections Commission, 540 U.S. 93 (2003)]*

8 *[Not shown: renumbering current Rule 1.3 to Rule 1.5.]*

9 *Amendments to current Rule 1.4, renumbering to Rule 1.6 and concerning a grammatical change:*

10 1.64.4 “Contribution” has the same meaning as set forth in Colo. Const. aArticle XXVIII, sSection 2(5)(a),
11 and section 1-45-103(6), C.R.S.

12 1.6.14.4.1 A contribution does not include an endorsement of a candidate or an issue by
13 any person, or include interest earned in an interest-bearing bank account, dividend
14 income from invested committee funds, earned income from commercially reasonable
15 transactions, or transfers of money within a political party.

16 1.6.24.4.2 Volunteer services

17 (a) Time-based services volunteered by an individual are not considered a
18 contribution if the individual receives no direct or indirect compensation for the
19 time volunteered.

20 (b) If an individual volunteers only a portion of his or her time-based services, the
21 volunteered portion is not considered a contribution.

22 (c) Any unpaid services that create a thing of value are not considered a
23 contribution. If volunteer services yield a thing of value, “contribution” only
24 includes the reasonable value of the materials involved, unless the value is de
25 minimis.

26 1.6.34.4.3 “Contribution in support of the candidacy” as outlined in Colo. Const. Article
27 XXVIII, Section 2(2), includes all contributions given directly to, or expenditures or
28 spending coordinated with, a candidate for a specific public office, including those to a
29 person who maintains a candidate committee after an election cycle.

30 *Rule 1.7 is recodified from current Rule 24.2.3 and amended:*

31 1.724.2.3 “C.R.C.P.” means Colorado Rules of Civil Procedure.

32 *[Not shown: renumbering current Rule 1.5 to Rule 1.8.]*

33 *Rule 1.9 is recodified from current Rule 24.2.4:*

34 1.924.2.4 “Deputy secretary” means the person appointed by the Secretary of State as the deputy
35 secretary of state pursuant to section 24-21-105, C.R.S., with authority under section 1-45-111.7,
36 C.R.S., or such other person as may be designated by the deputy secretary of state as the
37 deputy secretary’s designee under section 1-45-111.7(1)(b), C.R.S.

1 *New Rule 1.10, concerning the definition of direct ballot measure expenditure throughout 8 CCR 1505-6:*

2 1.10 "DIRECT BALLOT MEASURE EXPENDITURE" MEANS A DIRECT BALLOT ISSUE EXPENDITURE OR A DIRECT
3 BALLOT QUESTION EXPENDITURE.

4 *New Rule 1.11, concerning the definition of direct spending throughout 8 CCR 1505-6:*

5 1.11 "DIRECT SPENDING", AS USED IN SECTION 1-45-103(7.2), C.R.S., INCLUDES BOTH A MONETARY AND
6 NON-MONETARY PURCHASE, PAYMENT, DISTRIBUTION, LOAN, ADVANCE, DEPOSIT, MONETARY OR NON-
7 MONETARY GIFT, CONTRACT, PROMISE, OR AGREEMENT TO EXPEND FUNDS.

8 *Rule 1.12 is re-codified from current Rule 24.2.5 and amended:*

9 1.1224.2-5 "Division" OR "ELECTIONS DIVISION" HAS THE SAME MEANING AS IN SECTION 1-45-111.7(1)(c),
10 C.R.S., WHICH IS COMMONLY KNOWN AS THE ELECTIONS DIVISION OF THE COLORADO DEPARTMENT OF STATE.

11 *[Not shown: renumbering current Rule 1.6 to Rule 1.13.]*

12 *New Rule 1.14, concerning the definition of funding intermediary throughout 8 CCR 1505-6:*

13 1.14 "FUNDING INTERMEDIARY", AS USED IN SECTION 1-45-103(12)(B)(II)(E), C.R.S., MEANS ACTING AS A
14 PASS-THROUGH FOR CONTRIBUTIONS EARMARKED FOR AN ISSUE COMMITTEE. A PERSON BECOMES AN
15 INTERMEDIARY WHEN THEY ACCEPT AN EARMARKED CONTRIBUTION FROM ONE PERSON AND THEN MAKE A
16 CONTRIBUTION TO AN ISSUE COMMITTEE AS DIRECTED.

17 *Rule 1.15 is re-codified from current Rule 24.2.6:*

18 1.1524.2-6 "Hearing officer" has the same meaning as in section 1-45-111.7(1)(d), C.R.S., and is the
19 person who has been retained by the agency to conduct hearings and issue initial decisions
20 under section 1-45-111.7(6), C.R.S.

21 *[Not shown: renumbering current Rules 1.7 through 1.8 to Rule 1.16 through 1.17.]*

22 *Rule 1.18 is re-codified from current Rule 24.2.7:*

23 1.1824.2-7 "Initial complaint" means a complaint alleging that one or more violations of COLO. CONST.
24 Article XXVIII of the Colorado Constitution, Article 45 of Title 1, C.R.S., such other constitutional
25 or statutory provisions that are incorporated or referenced therein, or the rules has occurred and
26 that is filed by any person, including the division, with the division pursuant to section 1-45-
27 111.7(2)(a) and (7), C.R.S.

28 *Rule 1.19 is re-codified from current Rule 24.2.8:*

29 1.1924.2-8 "Initial decision" has the same meaning as section 24-4-102, C.R.S., and includes the
30 initial determination referenced in section 1-45-111.7(6)(b), C.R.S.

31 *[Not shown: renumbering current Rules 1.9 through 1.13 to Rule 1.20 through 1.24.]*

32 *New Rule 1.25, concerning the definition of organization throughout 8 CCR 1505-6:*

33 1.25 "ORGANIZATION", AS USED IN SECTION 1-45-103(12)(B)(II), C.R.S., MEANS A PERSON OTHER THAN A
34 NATURAL PERSON OR TWO OR MORE NATURAL PERSONS THAT WORK TOGETHER WITH A PARTICULAR
35 PURPOSE.

36 *[Not shown: renumbering current Rules 1.14 through 1.16 to Rule 1.26 through 1.28.]*

1 *Amendments to current Rule 1.17, renumbered to Rule 1.29, fixing a grammatical error:*

2 1.29~~17~~ "Political committee" has the same meaning as set forth in Colo. Const. Article XXVIII,
3 §Section 2(12), and does not include a married couple.

4 *[Not shown: renumbering current Rules 1.18 through 1.21 to Rule 1.30 through 1.33.]*

5 *New Rule 1.34, concerning the definition of respondent throughout 8 CCR 1505-6:*

6 1.34 "RESPONDENT" MEANS A PERSON OR ENTITY WHO IS THE SUBJECT OF A CAMPAIGN AND POLITICAL
7 FINANCE COMPLAINT.

8 *Amendments to current Rule 1.22, renumbered to Rule 1.35 concerning a grammatical change:*

9 1.35~~22~~ "Standalone Candidate" means a candidate without a committee who does not accept
10 contributions.

11 *New Rule 1.36, concerning the definition of substantial evidence throughout 8 CCR 1505-6:*

12 1.36 "SUBSTANTIAL EVIDENCE", AS USED IN THESE RULES, MEANS EVIDENCE THAT IS PROBATIVE, CREDIBLE,
13 AND COMPETENT AND OF SUCH WEIGHT AS TO BE ADEQUATE FOR THE DIVISION TO ACCEPT A FACT AS
14 TRUE. THIS STANDARD OF PROOF REQUIRES A GREATER WEIGHT OF EVIDENCE THAN THAT WHICH IS
15 REQUIRED FOR FINDING "PROBABLE CAUSE".

16 *Amendments to current Rule 1.23, including renumbering to Rule 1.37:*

17 1.37~~23~~ "Support or oppose", for the purpose of DETERMINING IF A PERSON OR GROUP OF PERSONS IS
18 A POLITICAL COMMITTEE AS DEFINED BY Colo. Const. Article XXVIII, Section 2(12)(a), means that
19 the ~~entity~~ PERSON OR GROUP OF PERSONS that contributed or made an expenditure did so in
20 coordination with the candidate or candidate committee. ~~If no such coordination exists, the entity~~
21 ~~is not a political committee.~~

22 *[Not shown: renumbering current Rule 1.24 to Rule 1.38.]*

23 *Amendments to Rule 2:*

24 *Amendments to Rule 2.1 pertaining to a grammatical change:*

25 2.1 Standalone Candidates

26 *[No changes to Rules 2.1.1-2.1.2.]*

27 *Amendments to Rule 2.2.4 updating the management of unexpended campaign funds, in accordance*
28 *with the passage of Senate Bill 23-276. This includes amending subsections (a) and (c) and the repeal*
29 *and replacement of subsection (d):*

30 2.2.4 Managing unexpended campaign contributions

31 (a) ~~A candidate committee must report its unexpended balance as the ending~~
32 ~~balance at the end of the election cycle. A candidate committee must report its~~
33 ~~unexpended balance from the report filed 35 days after the major election as the~~
34 ~~beginning balance in the next election cycle. A CANDIDATE COMMITTEE'S ENDING~~
35 ~~BALANCE ON THE REPORT FILED 35 DAYS AFTER THE MAJOR ELECTION MUST REFLECT~~
36 ~~THE COMMITTEE'S UNEXPENDED BALANCE AND THAT TOTAL IS REPORTED AS THE~~
37 ~~BEGINNING BALANCE ON THE FIRST REPORT DUE IN THE NEXT ELECTION CYCLE. The~~

1 candidate committee's beginning balance must reflect what amount is retained
2 for use in a subsequent election cycle and what amount is retained for use as
3 unexpended funds.

4 *[No changes to subsection (b).]*

5 (c) Candidates seeking election to a different office

6 (1) A candidate committee may transfer funds to a NEW candidate committee
7 established by the same candidate for a different public office, subject to
8 the political party contribution limit for the ~~new~~PRIOR office sought. [Colo.
9 Const. Article XXVIII, Section 3, AND SECTION 1-45-103.7(12)(B), C.R.S.]

10 (A) FUNDS HELD IN EXCESS OF THE PARTY LIMIT MUST BE DISBURSED
11 BEFORE THE NEW ELECTION CYCLE IN ACCORDANCE WITH SECTION 1-
12 45-106(5), C.R.S., AND CANNOT BE ROLLED OVER.

13 (B) FUNDS PREVIOUSLY DESIGNATED AS UNEXPENDED FUNDS FROM A
14 PRIOR ELECTION CYCLE CANNOT BE TRANSFERRED TO THE NEW
15 COMMITTEE AND MUST BE DISBURSED AS SPECIFIED IN SECTION 1-45-
16 106(1)(A) AND (B), C.R.S.

17 (2) Contributions from persons or committees made to the prior candidate
18 committee do not apply toward the contribution limits for the new
19 candidate committee.

20 (3) A candidate committee transferring funds to a candidate committee for a
21 different office must terminate within ten days of registering the new
22 candidate committee.

23 (4) A candidate seeking election to a state, county, or local office may not
24 transfer funds from a federal candidate committee to a Colorado
25 candidate committee that is subject to the provisions of the Fair
26 Campaign Practices Act.

27 ~~(5) If a candidate committee transfers funds in excess of the political party~~
28 ~~contribution limit, the candidate committee may only retain them for use~~
29 ~~in accordance with section 1-45-106(1)(b), C.R.S. if applicable. The~~
30 ~~committee may also contribute the funds to a political party, donate the~~
31 ~~funds to a charitable organization recognized by the Internal Revenue~~
32 ~~Service, or return the funds to contributors.~~

33 ~~(d) Candidates not seeking re-election or election to a new office~~

34 ~~(1) A candidate committee that wishes to terminate and will not transfer~~
35 ~~funds to a new candidate committee may give remaining contributions to:~~

36 ~~(A) A political party, in an amount not to exceed the limit in Colo.~~
37 ~~Const. Article XXVIII Section 3(3) (as adjusted by Rule 10.17);~~

38 ~~(B) A charitable organization recognized by the I.R.S.;~~

39 ~~(C) The original contributors; or~~

1 (D) ~~If elected to office, the candidate may use the remaining~~
2 ~~contributions for voter registration, political issue education,~~
3 ~~postsecondary educational scholarships, communication with~~
4 ~~constituents, or for expenses directly related to the officeholder's~~
5 ~~official duties.~~

6 [Section 1-45-106(1)(a)(I) and (b), C.R.S.]

7 (D) FUNDS ROLLED OVER, UP TO THE POLITICAL PARTY LIMIT OF A NEW CANDIDATE
8 COMMITTEE, FROM A CANDIDATE'S PRIOR CANDIDATE COMMITTEE WILL HAVE THE
9 EFFECT OF OFFSETTING HOW MUCH THE CANDIDATE MAY RECEIVE IN PARTY
10 CONTRIBUTIONS DURING THAT ELECTION CYCLE BY THE AMOUNT OF THE ROLLOVER.

11 *Amendments to Rule 2.4 concerning personal financial disclosures, including New Rule 2.4.2, pertaining*
12 *to failing to file personal financial disclosures and necessary amendments and renumbering, and*
13 *repealing Rule 2.4.6 due to being duplicative of statute:*

14 2.4 Personal financial disclosures

15 2.4.1 FILING OF PERSONAL FINANCIAL DISCLOSURES

16 2.4.1(A) A candidate need not file a new personal financial disclosure statement if the
17 candidate filed either a full or amended disclosure statement less than 90 days
18 before filing a candidate affidavit. [Section 1-45-110(2)(a) and (b), C.R.S.]

19 2.4.2(B) An amended or updated disclosure statement satisfies the full disclosure
20 statement requirement if all required amended statements have been filed since
21 the filing of the full disclosure statement. [Sections 1-45-110 and 24-6-202,
22 C.R.S.]

23 2.4.3(C) If a candidate withdraws his or her candidacy by submitting appropriate
24 documentation before filing the disclosure statement required in section 1-45-
25 110(2)(a), C.R.S., the candidate need not file a disclosure statement. Any fines
26 that the candidate accrued before withdrawing may be waived by the appropriate
27 filing office.

28 2.4.4(D) ALL personal financial disclosures FILINGS REQUIRED UNDER SECTIONS 1-45-110
29 AND 24-6-202, C.R.S., MUST BE FILED ELECTRONICALLY ~~may be submitted by fax or~~
30 ~~email and are considered timely if received~~ by 11:59 p.m. MT on the date due
31 AND WILL BE PUBLICLY AVAILABLE ONLINE.

32 2.4.5(E) Incumbents seeking re-election need not file a new personal financial disclosure
33 statement if they have already filed their annual personal financial disclosure
34 statement. [Section 24-6-202(4)(b), C.R.S.]

35 2.4.6 ~~A person who sits on a board or committee need not disclose the board or~~
36 ~~committee membership on a personal finance disclosure if the person does not:~~

37 (a) ~~Receive compensation; or~~

38 (b) ~~Individually control board funds.~~

39 *New Rule 2.4.2:*

40 2.4.2 FAILURE TO FILE

- 1 (A) IF A COMPLAINT IS FILED ALLEGING THAT THE PERSONAL FINANCIAL DISCLOSURE WAS
2 INCOMPLETE, INACCURATE, OR NOT UPDATED, THE DIVISION MAY CONSIDER THE
3 FOLLOWING RESPONSES FROM THE CANDIDATE OR INCUMBENT, WITHOUT LIMITATION, IN
4 DETERMINING WHETHER THE PERSONAL FINANCIAL DISCLOSURE, AMENDMENT, OR
5 UPDATE MEETS STATUTORY REQUIREMENTS:
- 6 (1) DOCUMENTATION REFUTING THE ALLEGATION OF INACCURACY OR
7 INCOMPLETENESS, INCLUDING WITHOUT LIMITATION, FOR EXAMPLE:
- 8 (A) FEDERAL TAX RETURNS;
- 9 (B) BANKING, INVESTMENT, OR OTHER FINANCIAL STATEMENTS;
- 10 (C) DEEDS OF TRUST OR OTHER PROPERTY RECORDS;
- 11 (D) A FINANCIAL MANAGER'S OR AUDITOR'S CERTIFIED STATEMENT OF THE
12 CANDIDATE'S OR INCUMBENT'S FINANCIAL HOLDINGS; OR
- 13 (E) OTHER INDEPENDENTLY VERIFIABLE DOCUMENTARY EVIDENCE; OR
- 14 (2) A SIGNED AFFIRMATION UNDER PENALTY OF PERJURY FROM THE CANDIDATE
15 OR INCUMBENT ATTESTING THAT THE ALLEGATION OF INACCURACY OR
16 INCOMPLETENESS IS NOT TRUE AND THE SUBSTANCE OF THE PERSONAL
17 FINANCIAL DISCLOSURE, INCLUDING AMENDMENTS AND ANNUAL UPDATE, IS
18 COMPLETE AND ACCURATE.
- 19 (B) IF THERE IS EVIDENCE OF WILLFUL BEHAVIOR OUTLINED IN SECTION 24-6-202(7),
20 C.R.S., SUCH COMPLAINT MAY BE REFERRED TO THE APPLICABLE LAW ENFORCEMENT
21 WITHOUT PREJUDICE TO THE DIVISION'S CONCURRENT INVESTIGATION OF THE MATTER
22 AND THE PURSUIT OF CIVIL OR ADMINISTRATIVE PENALTIES INDEPENDENT OF ANY
23 CRIMINAL SANCTION.
- 24 (C) IF A PERSON SUBJECT TO A COMPLAINT RELATED TO A PERSONAL FINANCIAL
25 DISCLOSURE UNDER SECTION 1-45-110(2), C.R.S., MEETS THE CRITERIA OF SECTION
26 1-45-110(5), C.R.S., AND IS DEFEATED OR WITHDRAWS FROM THE CANDIDACY, THAT
27 PERSON WILL NOT BE REQUIRED TO FILE, SUPPLEMENT, OR CORRECT A PERSONAL
28 FINANCIAL DISCLOSURE AFTER THE ELECTION BUT MAY STILL BE SUBJECT TO A
29 COMPLAINT AND POTENTIAL MONETARY PENALTY.

30 *Amendments to Rule 4, including New Rule 4.3 regarding the major purpose standard and necessary*
31 *renumbering:*

32 4.3 MAJOR PURPOSE STANDARD

33 4.3.1 FOR AN ORGANIZATION SUPPORTING OR OPPOSING A NON-STATEWIDE BALLOT MEASURE, A
34 MAJOR PURPOSE OF THE ORGANIZATION AS THAT PHRASE IS USED IN COLO. CONST. ARTICLE
35 XXVIII, SECTION 2(10)(A), IS DETERMINED BASED ON THE CONSIDERATION OF:

36 (A) THE ORGANIZATION'S SPECIFICALLY IDENTIFIED OBJECTIVES IN ITS ORGANIZATIONAL
37 DOCUMENTS AT THE TIME IT IS ESTABLISHED OR AS SUCH DOCUMENTS ARE LATER
38 AMENDED; OR

39 (B) THE ORGANIZATION'S DEMONSTRATED PATTERN OF CONDUCT, AS REFLECTED
40 THROUGH THE FOLLOWING NON-EXCLUSIVE SET OF FACTORS, INCLUDING:

- 1 (1) THE SCOPE OF THE ISSUES ADDRESSED IN THE ORGANIZATION'S PRINT AND
- 2 ELECTRONIC PUBLICATIONS;
- 3 (2) THE LENGTH OF TIME THE ORGANIZATION HAD EXISTED;
- 4 (3) THE ORGANIZATION'S ORIGINAL PURPOSE;
- 5 (4) THE ORGANIZATION'S ORGANIZATIONAL STRUCTURE;
- 6 (5) THE VARIOUS ISSUES IN WHICH THE ORGANIZATION HAD BEEN INVOLVED; AND
- 7 (6) THE AMOUNT OF MONEY THE ORGANIZATION HAD SPENT ON THE ISSUE IN
- 8 QUESTION IN RELATION TO ITS ANNUAL BUDGET.

9 [CERBO V. PROTECT COLO. JOBS, INC., 240 P.3D 495, (COLO. APP. 2010)]

10 4.3.2 FOR AN ORGANIZATION SUPPORTING OR OPPOSING A STATEWIDE BALLOT MEASURE, A MAJOR
 11 PURPOSE AS OUTLINED IN SECTION 1-45-103(12)(B), C.R.S., IS DETERMINED AS FOLLOWS:

- 12 (A) THE ORGANIZATION'S SPECIFICALLY IDENTIFIED OBJECTIVES IN ITS ORGANIZATIONAL
- 13 DOCUMENTS AT THE TIME IT IS ESTABLISHED OR AS SUCH DOCUMENTS ARE LATER
- 14 AMENDED; OR
- 15 (B) THE ORGANIZATION'S DEMONSTRATED PATTERN OF CONDUCT WHICH IS EVIDENCED BY
- 16 ITS SPENDING. SPECIFICALLY,
 - 17 (1) DURING THE CURRENT AND TWO PRECEDING YEARS, DID THE ORGANIZATION:
 - 18 (A) MAKE CONTRIBUTIONS TO A SINGLE STATEWIDE ISSUE COMMITTEE OR
 - 19 MAKE DIRECT BALLOT MEASURE EXPENDITURES IN SUPPORT OR
 - 20 OPPOSITION OF ONE STATEWIDE BALLOT MEASURE THAT, COMBINED,
 - 21 EXCEEDED 20% OF THE ORGANIZATION'S TOTAL SPENDING (IN ANY
 - 22 LOCATION AND FOR ANY REASON) DURING THE CURRENT AND TWO
 - 23 PRECEDING YEARS; OR
 - 24 (B) MAKE CONTRIBUTIONS TO MORE THAN ONE STATEWIDE ISSUE
 - 25 COMMITTEE OR MAKE DIRECT BALLOT MEASURE EXPENDITURES IN
 - 26 SUPPORT OF MORE THAN ONE STATEWIDE BALLOT MEASURE THAT
 - 27 COMBINED EXCEEDED 30% OF THE ORGANIZATION'S TOTAL SPENDING
 - 28 (IN ANY LOCATION AND FOR ANY REASON) DURING THE CURRENT AND
 - 29 TWO PRECEDING YEARS; OR
 - 30 (2) DOES THE ORGANIZATION HAVE A PATTERN OF CONDUCT AS ACTING AS A
 - 31 FUNDING INTERMEDIARY BY MAKING EARMARKED CONTRIBUTIONS TO AN ISSUE
 - 32 COMMITTEE.

33 4.3.3 FOR CAMPAIGN AND POLITICAL FINANCE COMPLAINTS INVOLVING WHETHER THE RESPONDENT IS
 34 AN ORGANIZATION THAT HAS A MAJOR PURPOSE OF SUPPORTING OR OPPOSING ONE OR MORE
 35 BALLOT MEASURES, A REBUTTABLE PRESUMPTION THAT THE ORGANIZATION MET THE STANDARD
 36 FOR HAVING A MAJOR PURPOSE UNDER SECTION 1-45-103(12)(B), C.R.S., IS CREATED IF:

- 37 (A) A CAMPAIGN AND POLITICAL FINANCE COMPLAINT HAS BEEN FILED AND THE DIVISION
- 38 INITIALLY DETERMINES THAT THE COMPLAINT ALLEGES A POTENTIAL VIOLATION IN WHICH
- 39 THE RESPONDENT MAY HAVE A MAJOR PURPOSE OF SUPPORTING OR OPPOSING ONE OR
- 40 MORE BALLOT MEASURES; AND

1 (B) THE RESPONDENT FAILS TO PROVIDE SUBSTANTIAL EVIDENCE, AS DEFINED IN RULE
2 1.36, THAT THEY HAVE NOT MET THE MAJOR PURPOSE STANDARD.

3 4.3.4 THIS PRESUMPTION WILL BE CONSIDERED SUFFICIENT INFORMATION TO SUPPORT THE FILING OF
4 AN ADMINISTRATIVE COMPLAINT WITH A HEARING OFFICER UNDER SECTION 1-45-111.7(5),
5 C.R.S. THE PRESUMPTION OF MEETING THE MAJOR PURPOSE STANDARD CAN BE REBUTTED BY
6 THE RESPONDENT DURING THE ADMINISTRATIVE HEARING PROCESS.

7 *[Not shown: renumbering current Rules 4.3 through 4.5 to Rules 4.4 through 4.6.]*

8 *Amendments to Rule 5.1, including New Rules 5.4.1 through 5.1.6 and concerning the amount that an*
9 *independent expenditure committee is required to report:*

10 5.1 An independent expenditure committee must report donations over ~~twenty dollars~~ \$20 given for
11 the purpose of making an independent expenditure.

12 5.1.1 An independent expenditure committee must itemize donations of \$250 or more per year
13 given for the purpose of making an independent expenditure and include the name and
14 address of the donor.

15 5.1.2 If the committee is unable to gather the information required by section 1-45-
16 107.5(4)(b)(II), or (III), C.R.S., within 30 days after receipt of the donation, the committee
17 must return the donation to the donor no later than the 31st day after receipt.

18 5.1.3 An independent expenditure committee must itemize independent expenditures made in
19 an aggregate amount of \$1,000 in any one calendar year and include the information
20 required by section 1-45-107.5, C.R.S.

21 5.1.4 AN INDEPENDENT EXPENDITURE COMMITTEE MUST LIST ALL EXPENDITURES OF \$250 OR MORE
22 DURING A REPORTING PERIOD, INCLUDING THE NAME AND ADDRESS OF PAYEES. THE COMMITTEE
23 MAY REPORT ANY DISBURSEMENT NOT DEFINED AS AN EXPENDITURE TO THE APPROPRIATE
24 OFFICER.

25 5.1.5 AN INDEPENDENT EXPENDITURE COMMITTEE MUST LIST INDIVIDUAL EXPENDITURES IN AMOUNTS
26 OF LESS THAN \$250 THAT AGGREGATE TO TOTAL OF \$250 OR MORE TO THE SAME PAYEE
27 DURING THE REPORTING PERIOD.

28 5.1.6 AN INDEPENDENT EXPENDITURE COMMITTEE MAY REPORT ALL OTHER EXPENDITURES OF LESS
29 THAN \$250 DURING A REPORTING PERIOD, IN TOTAL, AS NON-ITEMIZED EXPENDITURES.

30 *Amendments to Rule 10.1, concerning an outdated language and inclusion of statutory references:*

31 10.1 Unexpended campaign contributions.

32 10.1.3 Unexpended contributions may not be used for personal purposes except, ~~on or after~~
33 ~~September 1, 2019~~, to reimburse a candidate OR INCUMBENT for reasonable and
34 necessary expenses for the care of a child or a dependent as allowed under SECTIONS 1-
35 45-103.7(6.5) AND 1-45-106(1)(B)(VI), C.R.S.

36 *New Rule 10.19, concerning the reporting of a direct ballot measure expenditure:*

37 10.19 REPORTING A DIRECT BALLOT MEASURE EXPENDITURE

38 10.19.1 THE DISCLOSURE REPORT REQUIRED BY SECTION 1-45-108(1)(A)(VI), C.R.S.

- 1 (A) ONCE A PERSON MAKES \$5,000 IN DIRECT BALLOT MEASURE EXPENDITURES IN THE
2 AGGREGATE WITHIN A CALENDAR YEAR, EACH ADDITIONAL EXPENDITURE OF \$1,000 OR
3 MORE MUST BE REPORTED.
- 4 (B) FOR ANY DIRECT BALLOT MEASURE EXPENDITURE THAT IS \$1,000 OR MORE AND
5 RESULTS IN A PERSON EXCEEDING \$5,000 IN AGGREGATE DIRECT BALLOT MEASURE
6 EXPENDITURES WITHIN A CALENDAR YEAR, THAT ENTIRE EXPENDITURE MUST BE
7 DISCLOSED.
- 8 (C) THE AGGREGATE OF \$5,000 IN DIRECT BALLOT MEASURE EXPENDITURES CAN BE MET
9 WITH EXPENDITURES OF ANY AMOUNT.
- 10 (D) A SINGLE DIRECT BALLOT MEASURE EXPENDITURE OF LESS THAN \$1,000 DOES NOT
11 NEED TO BE REPORTED.
- 12 (E) DIRECT BALLOT MEASURE EXPENDITURE DISCLOSURE REPORTS MUST BE FILED WITHIN
13 48 HOURS OF WHEN THE DIRECT SPENDING OCCURS OR WHEN A CONTRACTUAL
14 AGREEMENT IS MADE.
- 15 (F) EXPENDITURES BY AN ISSUE COMMITTEE ARE NOT DIRECT BALLOT MEASURE
16 EXPENDITURES AND SHOULD BE REPORTED IN ACCORDANCE WITH RULE 10.3 AND
17 SECTION 1-45-108(1), C.R.S.
- 18 (G) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A FOREIGN GOVERNMENT, FOREIGN
19 CORPORATION, OR NATURAL PERSON WHO IS NOT A UNITED STATES CITIZEN MAY NOT
20 MAKE A DIRECT BALLOT MEASURE EXPENDITURE, AND A PERSON MAKING A DIRECT
21 BALLOT MEASURE EXPENDITURE MAY NOT KNOWINGLY ACCEPT FUNDS FROM A FOREIGN
22 GOVERNMENT, FOREIGN CORPORATION, OR A NATURAL PERSON WHO IS NOT A CITIZEN
23 OF THE UNITED STATES FOR THE PURPOSE OF MAKING A DIRECT BALLOT MEASURE
24 EXPENDITURE.

25 10.19.2 EACH DIRECT BALLOT MEASURE EXPENDITURE DISCLOSURE MUST INCLUDE:

- 26 (A) THE NAME AND ADDRESS OF THE PAYOR;
- 27 (B) THE NAME AND ADDRESS OF PAYEE;
- 28 (C) THE NAME OF THE ORIGINAL SOURCE OF THE FUNDS, IF THE DIRECT BALLOT MEASURE
29 EXPENDITURE WAS PAID WITH EARMARKED FUNDS;
- 30 (D) THE AMOUNT OF THE DIRECT BALLOT MEASURE EXPENDITURE;
- 31 (E) THE DATE OF THE DIRECT BALLOT MEASURE EXPENDITURE;
- 32 (F) THE PURPOSE FOR WHICH THE DIRECT BALLOT MEASURE EXPENDITURE WAS MADE
33 INCLUDING THE BALLOT MEASURE AND WHETHER THE DIRECT BALLOT MEASURE
34 EXPENDITURE WAS IN SUPPORT OR OPPOSITION OF THE BALLOT MEASURE; AND
- 35 (G) AN AFFIRMATION SIGNED BY AN AUTHORIZED REPRESENTATIVE ON A FORM PROVIDED
36 BY THE DEPARTMENT OR APPROPRIATE OFFICER THAT THE FILER DOES NOT MEET THE
37 DEFINITION OF AN ISSUE COMMITTEE AND ONLY USED PERMISSIBLE SOURCES FOR THE
38 EXPENDITURE.

39 *New Rule 10.20, regarding earmarked contributions:*

- 1 10.20 EARMARKED CONTRIBUTIONS
- 2 10.20.1 A CONTRIBUTION WILL BE CONSIDERED EARMARKED IF IT INCLUDES OR IS ACCOMPANIED BY A
3 DIRECTION OR INSTRUCTION WHICH RESULTS IN ALL OR ANY PART OF A CONTRIBUTION OR
4 EXPENDITURE BEING MADE TO, OR EXPENDED ON BEHALF OF, A CANDIDATE, COMMITTEE, OR
5 BALLOT MEASURE.
- 6 10.20.2 DISCLOSURE REPORTS OF EARMARKED CONTRIBUTIONS MUST INCLUDE THE ORIGINAL SOURCE
7 OF THE FUNDS AS WELL AS CONDUITS, FUNDING INTERMEDIARIES, OR OTHER PERSONS INVOLVED
8 IN THE TRANSACTION.
- 9 10.20.3 RECIPIENTS OF EARMARKED CONTRIBUTIONS MUST DISCLOSE THE ORIGINAL SOURCE OF THE
10 CONTRIBUTION AND THE PERSON WHO MADE THE CONTRIBUTION.

11 *Amendments to Rule 12.3, including New Rule 12.3.5 and concerning the termination of candidate*
12 *committees as required by Senate Bill 23-276:*

- 13 12.3 A committee may file a termination report terminating the committee if the following conditions are
14 met:
- 15 12.3.1 The committee no longer intends to receive contributions or make expenditures;
- 16 12.3.2 The committee's TRACER account has a zero balance, indicating it has no cash or
17 assets on hand and there are no outstanding debts, penalties, or obligations;
- 18 12.3.3 A committee may dispose of assets remaining in its possession before termination in the
19 same manner as allowed for unexpended contributions; ~~and~~
- 20 12.3.4 The committee has no pending campaign and political finance complaints or related
21 proceedings pending before the elections division or any court; AND
- 22 12.3.5 IN ADDITION TO THE REQUIREMENTS OUTLINED IN THIS RULE 12.3, CANDIDATE COMMITTEES
23 MUST TERMINATE WITHIN:
- 24 (A) ONE YEAR AFTER THE ELECTION, IF THE CANDIDATE WAS NOT ELECTED; OR
- 25 (B) ONE YEAR AFTER AN ELECTED CANDIDATE LEAVES OFFICE.
- 26 [SECTIONS 1-45-103.7(12)(A)(I) AND (II), C.R.S.]

27 *Amendments to Rule 19.1, concerning the removal of outdate language with the passage of Senate Bill*
28 *23-276 and a grammatical change:*

- 29 19.1 All disclosure reports filed with the Secretary of State under Colo. Const. Article XXVIII and Article
30 45 of Title 1, C.R.S., must be filed electronically on the Secretary of State's ~~Tracer~~ TRACER
31 system, except as provided in Rule 19.2. Paper reports will not be accepted. ~~This rule does not~~
32 ~~apply to personal financial disclosure reports required by section 1-45-110, C.R.S.~~

33 *Amendments to Rule 23.1, concerning filing initial complaints and including New Rule 23.1.3 and*
34 *necessary renumbering:*

- 35 23.1 Filing INITIAL ~~C~~complaints
- 36 23.1.1 Campaign AND POLITICAL finance complaints must be filed in writing and can be submitted
37 by hardcopy or electronically. ~~E~~electronic signatures are permitted for any complaint

1 documentation that requires a signature by complaint, respondent, or the elections
2 division.

3 23.1.2 A complaint must identify both a respondent and a complainant. Anonymous complaints
4 or complaints that fail to identify a complainant and respondent may be rejected and not
5 reviewed by the elections division.

6 23.1.3 COMPLAINTS MUST MEET THE PLAUSIBILITY PLEADINGS STANDARD BY PRESENTING A PLAUSIBLE
7 BASIS, BASED ON CONCRETE, NON-CONCLUSORY ALLEGATIONS OF PARTICULARIZED FACTS, TO
8 SUPPORT THE ALLEGATIONS THAT A POTENTIAL CAMPAIGN AND POLITICAL FINANCE VIOLATION
9 OCCURRED. THE PLAUSIBILITY OF AN ALLEGATION IS DETERMINED WHILE ACCEPTING AS TRUE
10 THE CONCRETE, NON-CONCLUSORY ASSERTIONS OF FACT UPON WHICH THE ALLEGATION IS
11 BASED.

12 ~~23.1.3~~23.1.4 Complaints that stem from a common set of operative facts as a pending
13 complaint will be consolidated when practicable. When consolidation is not practicable
14 and the outcome of the initial case will be determinative of the later case, a complaint will
15 be stayed until a final agency decision issues on the initial complaint and any appeals are
16 resolved.

17 ~~23.1.4~~23.1.5 Violations stemming from late or missing filings that have had A LATE FILING
18 PENALTY ASSIGNED OR THE ASSIGNED PENALTY HAS BEEN WAIVED ~~or are pending a waiver~~
19 ~~decision~~ under Rule 18 are not subject to ADDITIONAL MONETARY PENALTIES UNDER RULE
20 23.3 FOR THE LATE FILING VIOLATION ~~the complaint process outlined in section 1-45-111.7,~~
21 C.R.S.

22 *Amendments to Rule 23.3, regarding the settlement of complaints and fine structure for violations, and*
23 *including necessary renumbering and grammatical changes:*

24 23.3 Settlement of complaints and fine structure for violations

25 23.3.1 After a complaint has been filed with a hearing officer the elections division may enter
26 into a settlement agreement with the respondent.

27 23.3.2 In ASSESSING A FINE AMOUNT OR APPROVING ~~reaching a settlement and fine amount,~~ the
28 deputy secretary of state or a hearing officer, AS APPLICABLE, will consider all of the
29 following factors:

- 30 (a) Specific fine amounts outlined in Rule 23.3.3; ~~and~~
- 31 (b) Any appropriate specific action in Rule 23.3.4; ~~and~~
- 32 (c) WHETHER RULE 18 LATE FILING PENALTIES HAVE BEEN ISSUED AND IF A WAIVER WAS
33 GRANTED;
- 34 (d) SANCTIONS AVAILABLE UNDER SECTION 1-45-111.5, C.R.S.; AND
- 35 ~~(e)~~(E) The mitigating and aggravating factors, INCLUDING THOSE LISTED in Rule 23.3.5, to
36 increase or decrease the monetary fine or terms.

37 23.3.3 Fine amounts

38 *[No changes to subsection (a).]*

- 1
2 (b) Failure to file complete and accurate AFFIDAVITS, DISCLOSURES, OR
CONTRIBUTIONS, EXPENDITURES, OR OTHER FINANCE reports
- 3 (1) Failure to file complete and accurate reports is a \$100 fine per report
4 plus 5 percent of the activity not accurately or completely reported;.
- 5 (2) Failure to file, or file an accurate, candidate affidavit
- 6 (A) If THE affidavit is submitted within 14 days of registration
7 deadline, the fine is at least \$50; or
- 8 (B) If THE affidavit is submitted after 14 days post deadline, the fine
9 is at least \$100.
- 10 (3) FAILURE TO FILE AN ACCURATE OR COMPLETE INITIAL, UPDATED, OR AMENDED
11 PERSONAL FINANCIAL DISCLOSURE AS REQUIRED UNDER SECTION 1-45-110,
12 C.R.S., WHICH INCLUDES CONTENT REQUIRED BY SECTION 24-6-202(2),
13 C.R.S.
- 14 (A) IF THE PERSONAL FINANCIAL DISCLOSURE IS FILED OR CORRECTED
15 WITHIN 14 DAYS OF THE APPLICABLE FILING DUE DATE, THE FINE IS AT
16 LEAST \$50;
- 17 (B) IF THE PERSONAL FINANCIAL DISCLOSURE IS FILED OR CORRECTED
18 PRIOR TO THE FILING OF ANY COMPLAINT ALLEGING AN INSUFFICIENT
19 FILING OF A PERSONAL FINANCIAL DISCLOSURE, SO LONG AS THE
20 DISCLOSURE IS SUBMITTED AT LEAST 30 DAYS PRIOR TO THE
21 ELECTION IN WHICH THE CANDIDATE IS RUNNING, THE FINE IS AT LEAST
22 \$100;
- 23 (C) IF THE PERSONAL FINANCIAL DISCLOSURE IS FILED OR CORRECTED
24 FEWER THAN 30 DAYS BEFORE THE ELECTION IN WHICH THE
25 CANDIDATE IS RUNNING, THE FINE IS AT LEAST \$500;
- 26 (D) IF THE CANDIDATE OR INCUMBENT IS DEFEATED OR WITHDRAWS AND
27 THE PERSONAL FINANCIAL DISCLOSURE WAS NOT CORRECTED, THE
28 FINE WILL BE AT LEAST \$500; OR
- 29 (E) IF THE PERSONAL FINANCIAL DISCLOSURE IS CORRECTED AFTER THE
30 ELECTION, AND THE RESPONDENT WAS NOT DEFEATED OR DID NOT
31 WITHDRAW, THE FINE IS AT LEAST \$1,000.
- 32 (4) FAILURE TO FILE AN INITIAL DISCLOSURE REPORT OR AN ANNUAL UPDATE AS
33 REQUIRED UNDER SECTION 24-6-202, C.R.S.
- 34 (A) IF THE DISCLOSURE REPORT IS FILED WITHIN 14 DAYS OF DUE DATE,
35 THE FINE IS AT LEAST \$50;
- 36 (B) IF THE DISCLOSURE REPORT IS FILED WITHIN 28 DAYS OF DUE DATE,
37 THE FINE IS AT LEAST \$100;
- 38 (C) IF THE DISCLOSURE REPORT IS FILED MORE THAN 28 DAYS LATE BUT
39 AT LEAST 30 DAYS PRIOR TO AN ELECTION IN WHICH THE OFFICIAL IS
40 RUNNING, THE FINE IS AT LEAST \$500; OR

1 (D) IF THE DISCLOSURE REPORT IS FILED AFTER AN ELECTION IN WHICH
2 THE OFFICIAL IS RUNNING, THE FINE IS AT LEAST \$1,000.

3 (5) FILING AN INACCURATE OR INCOMPLETE PERSONAL FINANCIAL DISCLOSURE OR
4 FAILURE TO CORRECT AN INACCURATE OR INCOMPLETE PERSONAL FINANCIAL
5 DISCLOSURE COULD RESULT IN CRIMINAL AND CIVIL PENALTIES UNDER SECTION
6 24-6-202(7), C.R.S.

7 *[No changes to subsections (c) and (d).]*

8 *New subsection (e) including fines for violations by the state or political subdivisions:*

9 (E) VIOLATIONS BY THE STATE OR A POLITICAL SUBDIVISION UNDER SECTION 1-45-117,
10 C.R.S.

11 (1) IF THE VIOLATION IS CURED BEFORE THE ELECTION BUT THERE WAS NO
12 SUBSTANTIAL COMPLIANCE, THE FINE WILL BE AT LEAST \$500;

13 (2) IF THE VIOLATION IS NOT CURED BEFORE THE ELECTION, THE FINE WILL BE AT
14 LEAST \$1,000; OR

15 (3) IF THE AMOUNT OF FUNDS IMPROPERLY USED IS ASCERTAINABLE, THE FINE
16 WILL BE AT LEAST THREE TIMES THE AMOUNT OF THE IMPROPERLY USED
17 FUNDS.

18 ~~(E)~~(F) Other violations of campaign and political finance rules and regulations will be
19 assessed penalties based on the circumstances of the violations and factors
20 outlined in Rule 23.3.4.

21 *Amendments to Rule 23.3.4, including a grammatical change:*

22 23.3.4 Specific AAction(s)

23 *[No changes to subsections (a)-(c).]*

24 *[Not shown: current Rule 24.2 is repealed and re-codified throughout Rule 1.1. This is shown at the*
25 *beginning of the document.]*

26 *[Not shown: renumbering of current Rules 24.3 through 24.22 to Rules 24.2 through 24.21.]*