# **Working Draft of Proposed Rules**

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

## October 4, 2018

#### Disclaimer:

The following is a working draft concerning the Campaign and Political Finance Rules. The Secretary values your input and is seeking feedback about the proposed revisions before a formal notice of rulemaking.

Please send your feedback by 5:00 PM on October 11, 2018. Please reference the specific page and line number in your comments. We will consider all comments submitted by this date for inclusion in the official rulemaking draft.

Please note the following formatting key:

| Theuse hote the following format. | 6 · J                                   |
|-----------------------------------|---|
| Font effect                       | Meaning                                 |
| Sentence case                     | Retained/modified current rule language |
| SMALL CAPS                        | New language                            |
| Strikethrough                     | Deletions                               |
| Italic blue font text             | Annotations                             |

#### 1 Amendments to 8 CCR 1505-6 follow:

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2 2.2.4 Managing unexpended campaign contributions

| 3 | (a) | A candidate committee must report its unexpended balance as the ending balance     |
|---|-----|--|
| 4 |     | throughout-AT THE END OF the election cycle. A candidate committee must report its |
| 5 |     | unexpended balance from the report filed 30 days after the major election as the   |
| 6 |     | beginning balance in the next election cycle. THE CANDIDATE COMMITTEE'S BEGINNING  |
| 7 |     | BALANCE MUST REFLECT WHAT AMOUNT IS RETAINED FOR USE IN A SUBSEQUENT               |
| 8 |     | ELECTION CYCLE AND WHAT AMOUNT IS RETAINED FOR USE AS UNEXPENDED FUNDS.            |
|   |     |  |
| 9 | (b) | Candidates seeking re-election to the same office                                  |

- A candidate committee may retain contributions to use in a subsequent election cycle for the same public office, in an amount not to exceed the POLITICAL PARTY CONTRIBUTION limit in Colo. Const. Article XXVIII, Section 3(3) (as adjusted by Rule 10.16).
- 14 (2) If a candidate committee retains contributions to use in a subsequent election 15 cycle for the same office, the amount retained counts toward the limit on

| 1<br>2                                 |     |        | contributions from a political party. A candidate committee must return contributions it receives in excess of the political party limit within ten days.   |  |
|--|-----|--------|---|--|
| 3<br>4<br>5<br>6<br>7<br>8<br>9<br>10  |     | (3)    | IF A CANDIDATE COMMITTEE RETAINS CONTRIBUTIONS FROM A PRIOR ELECTION<br>CYCLE IN EXCESS OF THE POLITICAL PARTY CONTRIBUTION LIMIT, THE<br>CANDIDATE COMMITTEE MAY NOT USE THOSE FUNDS FOR ANY SUBSEQUENT<br>ELECTION CYCLE BUT MAY RETAIN THEM FOR USE IN ACCORDANCE WITH<br>SECTION 1-45-106(1)(B), C.R.S., IF APPLICABLE. THE COMMITTEE MAY ALSO<br>CONTRIBUTE THE FUNDS TO A POLITICAL PARTY, DONATE THE FUNDS TO A<br>CHARITABLE ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE,<br>OR RETURN THE FUNDS TO CONTRIBUTORS. |  |
| 11                                     | (c) | Candid | Candidates seeking election to a different office   |  |
| 12<br>13<br>14<br>15                   |     | (1)    | A candidate committee may transfer funds to a candidate committee established<br>by the same candidate for a different public office, subject to the political party<br>contribution limit for the new office sought. [Colo. Const. Article XXVIII,<br>Section 3]   |  |
| 16<br>17                               |     | (2)    | Contributions from persons or committees made to the prior candidate committee<br>do not apply toward the contribution limits for the new candidate committee.  |  |
| 18<br>19<br>20                         |     | (3)    | A candidate committee transferring funds to a candidate committee for a different office must terminate within ten days of registering the new candidate committee.   |  |
| 21<br>22<br>23                         |     | (4)    | A candidate seeking election to a state, county, or local office may not transfer<br>funds from a federal candidate committee to a Colorado candidate committee that<br>is subject to the provisions of the Fair Campaign Practices Act.  |  |
| 24<br>25<br>26<br>27<br>28<br>29<br>30 |     | (5)    | IF A CANDIDATE COMMITTEE TRANSFERS FUNDS IN EXCESS OF THE POLITICAL PARTY CONTRIBUTION LIMIT, THE CANDIDATE COMMITTEE MAY ONLY RETAIN THEM FOR USE IN ACCORDANCE WITH SECTION 1-45-106(1)(B), C.R.S. IF APPLICABLE. THE COMMITTEE MAY ALSO CONTRIBUTE THE FUNDS TO A POLITICAL PARTY, DONATE THE FUNDS TO A CHARITABLE ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE, OR RETURN THE FUNDS TO CONTRIBUTORS.  |  |
| 31                                     | (d) | Not-CA | NDIDATES NOT seeking re-election or election to a new office  |  |
| 32<br>33                               |     | (1)    | A candidate committee that wishes to terminate and will not transfer funds to a new candidate committee may give remaining contributions to:  |  |
| 34<br>35                               |     |        | (A) A political party, in an amount not to exceed the limit in Colo. Const.<br>Article XXVIII Section 3(3) (as adjusted by Rule 10.17);   |  |
| 36                                     |     |        | (B) A charitable organization recognized by the I.R.S.;   |  |
| 37                                     |     |        | (C) the THE original contributors; or   |  |

| 1<br>2<br>3<br>4 | (D) If elected to office, the candidate may use the remaining<br>voter registration, political issue education, postsecon<br>scholarships, communication with constituents, or for<br>related to the officeholder's official duties. | ndary educational |
|------------------|--|-------------------|
| 5                | [Section 1-45-106(1)(a)(I) and (b), C.R.S.]  |                   |