STATE OF COLORADO

Department of State

1700 Broadway Suite 250 Denver, CO 80290



Mike Coffman Secretary of State

J. Wayne Munster
Acting Director, Elections Division

NOTICE OF ADOPTION

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

September 12, 2008

Pursuant to sections Article XXVIII, Section 9(1)(b) of the Colorado Constitution and 1-45-111.5(1), C.R.S. (2007) and the rulemaking provisions of the State Administrative Procedure Act, section 24-4-103, C.R.S. (2007), I, Mike Coffman, Colorado Secretary of State, do hereby adopt and give NOTICE of the permanent rule adoption this 12th day of September, 2008, of the amendments and revisions to the following Secretary of State Campaign and Political Finance Rules (8 CCR 1505-6), as follows (additions to the current rules are reflected in SMALL CAPS and deletions from current rules are shown in stricken type).

Rule 4.21.3.1 is amended as follows:

- 4.21.3 A committee that receives a permissible contribution from an LLC that is attributed to an LLC's member(s) shall report AS SEPARATE CONTRIBUTIONS THE AMOUNT ATTRIBUTED TO EACH MEMBER. FOR SUCH CONTRIBUTION, the contributor SHALL BE IDENTIFIED BY THE NAME OF THE MEMBER, TOGETHER WITH THE NAME OF THE LLC. as the LLC. The contributor shall not be reported as the member(s) to whom the contribution was attributed.
 - 4.21.3.1 Notwithstanding anything in Rule 4.21.3 to the contrary, a committee that receives a contribution from an LLC shall report as separate contributions the amount attributed to each member. For each such contribution, the contributor shall be identified by the name of the member, together with the name of the LLC.

These new and amended rules shall take effect twenty (20) days after publication in the Colorado Register in accordance with the State Administrative Procedures Act.

A written Statement of Basis, Purpose and Specific Statutory Authority is attached and hereby incorporated herein by reference.

Dated this 12th Day of September, 2008.

William A. Hobbs

Deputy Secretary of State

For

Mike Coffman Colorado Secretary of State

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Statement of Basis, Purpose and Specific Statutory Authority

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

September 12, 2008

1. Basis and Purpose

This statement pertains to the adoption of an amendment to Rule 4.21.3 of the Colorado Secretary of State's "Rules Concerning Campaign and Political Finance".

The amendment is necessary to achieve the uniform and proper administration and enforcement of the election laws and campaign finance laws of the State of Colorado including Article XXVIII of the Colorado Constitution and Article 45, Title 1 of the Colorado Revised Statutes. In particular, the amendment is intended to make permanent the temporary adoption of new Rule 4.21.3.1 on July 28, 2008. The amendment is further necessary to answer question from interested parties about the reporting of contributions by Limited Liability Companies (LLCs) after the passage of House Bill 08-1233.

2. Statutory Authority

Amendments and revisions to the Secretary of State's "Rules Concerning Campaign and Political Finance" are adopted pursuant to the following statutory and constitutional provisions:

- 1. Article XXVIII, Section 9(1)(b) of the Colorado Constitution, which authorizes the Secretary of State to:
 - "Promulgate 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]."
- 2. Section 1-1-107(2)(a), C.R.S., (2007), which authorizes the Secretary of State: "To promulgate, publish, and distribute . . . such rules as the secretary of state finds necessary for the proper administration and enforcement of the election laws."
- 3. Section 1-45-111.5(1), C.R.S., (2007), which authorizes the Secretary of State to: "[P]romulgate such rules in accordance with article 4 of title 24, C.R.S., as may be necessary to enforce and administer any provision of [article 45 of title 1, C.R.S.]."