

## Amendment 54 Campaign Contributions from Certain Government Contractors

1 **Amendment 54 proposes amending the Colorado Constitution to:**

- 2       ♦ prohibit certain government contractors from contributing to a political  
3       party or candidate for the contract's duration and two years thereafter;
- 4       ♦ prohibit contributors to ballot issue campaigns from entering into certain  
5       government contracts relating to the ballot issue;
- 6       ♦ apply the prohibitions on campaign contributions and ballot issue  
7       contracts to any contractor with a government contract or contracts that  
8       does not use a public and competitive bidding process soliciting at least  
9       three bids and with a total value greater than \$100,000 in a single year;  
10      and
- 11      ♦ apply the prohibitions on campaign contributions and ballot issue  
12      contracts to a labor organization holding a collective bargaining  
13      agreement with a state or local government.

### 14 **Summary and Analysis**

15       Government entities purchase goods and services from private-sector vendors for  
16       the operation of government. The awarding of state contracts for these goods and  
17       services is regulated by state law. Local governments largely determine their own  
18       practices.

19       ***How are state government contracts awarded?*** State law requires, with few  
20       exceptions, that vendors for state contracts be selected through a competitive bidding  
21       process. Separate rules govern small and emergency purchases. In some cases, a  
22       state agency may determine that only one good or service can reasonably meet the  
23       agency's need, and only one vendor can provide the particular good or service.  
24       Examples of circumstances when competitive bidding is not used include cases:

- 25      ♦ where equipment, accessories, or replacement parts must be  
26      compatible;
- 27      ♦ where a sole supplier's item is needed for trial use or testing; and
- 28      ♦ where public utility services are to be purchased.

1       **How does the measure affect government contractors and labor**  
2 **organizations?** Amendment 54 prohibits campaign contributions by certain  
3 government contractors. The prohibition applies to contractors with a total contract  
4 value of greater than \$100,000 in a single year where fewer than three bids are  
5 solicited. It also covers labor organizations that represent public employees in a  
6 collective bargaining agreement.

7       Contracts covered by Amendment 54 are referred to in the measure as "sole  
8 source contracts" and include those awarded by the state, cities, counties, school  
9 districts, and other special districts. The measure requires the state to publish and  
10 maintain a database of every covered government contract issued at every level of  
11 government.

12       **How are Amendment 54's prohibitions applied?** Under the measure, covered  
13 government contractors are prohibited from making a campaign contribution  
14 themselves, or on behalf of a family member, to any political party or any state or local  
15 candidate for the duration of the contract plus two additional years. A contractor  
16 includes:

- 17       ◆ the contracting entity's officers, directors, or trustees;
- 18       ◆ any individual who controls at least 10 percent of the shares of or  
19       interest in the entity; and
- 20       ◆ in the case of a collective bargaining agreement, a labor organization  
21       and any political committees it creates to make campaign contributions.

22       The measure also prohibits a person who contributes to a ballot issue campaign from  
23 entering into a covered government contract relating to the ballot issue.

24       **What penalties exist under Amendment 54?** Under Amendment 54, individuals  
25 who accept contributions from covered government contractors for the benefit of a  
26 political party or candidate must pay restitution to the contracting government. Elected  
27 or appointed officials may be removed or disqualified from office for knowingly  
28 violating Amendment 54. Further, a covered government contractor who intentionally  
29 makes a contribution in violation of the measure is barred from holding a covered  
30 government contract or public employment for three years. The governor may  
31 suspend these penalties during a declared state of emergency.

32       **What is the scope of state contracts affected by Amendment 54?** Information  
33 is not available on the number of state contracts that meet the criteria in  
34 Amendment 54. However, a sample of state contracts indicates that last year about  
35 6 percent of state contracts had a value greater than \$100,000 and were not put out  
36 for bid. These contracts represented about 5 percent of the total value of state  
37 contracts over \$100,000.

38       **What is the scope of local government contracts affected by Amendment**  
39 **54?** Information is not available on the number and value of local contracts that meet

1 the criteria in Amendment 54. Some local governments, including the cities of Boulder  
2 and Fort Collins, have enacted laws restricting campaign contributions by individuals  
3 holding any type of contract with the local government and would integrate  
4 Amendment 54's provisions into existing practice. Local governments also enter into  
5 collective bargaining agreements. For example, 45 school districts, representing  
6 80 percent of teachers in the state, and four city police departments, representing  
7 33 percent of the state's police officers, are covered under collective bargaining  
8 agreements.

## 9 **Arguments For**

10 1) Amendment 54 promotes civic trust and government transparency. By  
11 prohibiting campaign contributions, Amendment 54 ensures that business interests,  
12 labor, and other covered government contractors do not influence policy decisions  
13 through campaign contributions. In addition, by requiring state officials to publish  
14 information on covered government contracts, the measure makes information on  
15 vendors that receive such contracts easier to obtain by ordinary citizens. Registered  
16 voters can hold both public officials and contractors to a high ethical standard and  
17 seek remedies when violations occur.

18 2) Amendment 54 furthers the efficient use of taxpayer dollars by promoting  
19 competitive bidding for government contracts. It makes contracts where fewer than  
20 three bids are solicited less attractive by prohibiting political contributions from entities  
21 that receive such contracts. Amendment 54 thus encourages taxpayer value in  
22 contracting, and discourages instances where it may be easy to rely on entities with  
23 existing contracts.

## 24 **Arguments Against**

25 1) The broad scope of the measure could have far-reaching consequences for  
26 contractors, political candidates, and elected officials. For example, an individual  
27 holding a covered contract with one local government could be penalized for making a  
28 contribution to a candidate in a separate jurisdiction. To avoid violations and  
29 penalties, candidates and political parties will have to monitor each contribution to  
30 ensure that it is not made by a sole-source government contractor, or by the  
31 contractor on behalf of a relative. Furthermore, Amendment 54 establishes penalties  
32 that are severe relative to the offenses, including loss or disqualification from office for  
33 elected or appointed officials.

34 2) Amendment 54 proposes an inflexible approach to government contracting.  
35 Different regions and levels of government throughout the state have varying  
36 contracting needs and access to providers of goods and services. Because rural  
37 cities and counties typically have fewer contracting options than urban communities or  
38 state government, the measure presents unique challenges for small communities and  
39 their service providers. For example, if one organization in a small community is the  
40 only available contractor for community services, the organization would have to

# Final Draft

1 choose between accepting a contract and participating financially in the political  
2 process.

### 3 **Estimate of Fiscal Impact**

4 Amendment 54 requires the state to publish and maintain a summary of each  
5 covered government contract issued by the state and all local government entities,  
6 beginning December 31, 2008. The cost of hiring a contractor to develop the  
7 database is \$234,000. In addition, annual state expenditures of \$85,000 for  
8 one employee are required to manage the database of contracts of approximately  
9 4,000 governmental entities. Thus, the total cost to the state will be \$277,000 and a  
10 half-time employee in budget year 2009 and \$85,000 and one employee in budget  
11 year 2010 and thereafter.

**Amendment 54  
Campaign Contributions from Certain Government Contractors**

1 **Amendment 54 proposes amending the Colorado Constitution to:**

- 2       ♦ prohibit certain government contractors from contributing to a political  
3       party or candidate for the contract's duration and two years thereafter;
- 4       ♦ prohibit contributors to ballot issue campaigns from entering into certain  
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- 11      ♦ apply the prohibitions on campaign contributions and ballot issue  
12      contracts to a labor organization holding a collective bargaining  
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8 source contracts" and include those awarded by the state, cities, counties, school  
9 districts, and other special districts. The measure requires the state to publish and  
10 maintain a database of every covered government contract issued at every level of  
11 government.

12       **How are Amendment 54's prohibitions applied?** Under the measure, covered  
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15 candidate for the duration of the contract plus two additional years. A contractor  
16 includes:

- 17       ◆ the contracting entity's officers, directors, or trustees;
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19       interest in the entity; and
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21       and any political committees it creates to make campaign contributions.

22       The measure also prohibits a person who contributes to a ballot issue campaign from  
23 entering into a covered government contract relating to the ballot issue.

24       THE TERM "IMMEDIATE FAMILY MEMBER" IS DEFINED FOR THE PURPOSES OF THE  
25 PROVISIONS OF LAW RELATING TO CAMPAIGN FINANCE AND DISCLOSURE AND DOES NOT  
26 EXPAND THE DEFINITION OF FAMILY FOR OTHER PURPOSES OR CREATE ANY RIGHTS TO  
27 OTHERWISE UNLAWFUL CONDUCT.

28       **What penalties exist under Amendment 54?** Under Amendment 54, individuals  
29 who accept contributions from covered government contractors for the benefit of a  
30 political party or candidate must pay restitution to the contracting government. Elected  
31 or appointed officials may be removed or disqualified from office for knowingly  
32 violating Amendment 54. Further, a covered government contractor who intentionally  
33 makes a contribution in violation of the measure is barred from holding a covered  
34 government contract or public employment for three years. The governor may  
35 suspend these penalties during a declared state of emergency.

36       **What is the scope of state contracts affected by Amendment 54?** Information  
37 is not available on the number of state contracts that meet the criteria in  
38 Amendment 54. However, a sample of state contracts indicates that last year about 6  
39 percent of state contracts had a value greater than \$100,000 and were not put out for

1 bid. These contracts represented about 5 percent of the total value of state contracts  
2 over \$100,000.

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6 and Fort Collins, have enacted laws restricting campaign contributions by individuals  
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8 Amendment 54's provisions into existing practice. Local governments also enter into  
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11 percent of the state's police officers, are covered under collective bargaining  
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13 **Arguments For**

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17 through campaign contributions. In addition, by requiring state officials to publish  
18 information on covered government contracts, the measure makes information on  
19 vendors that receive such contracts easier to obtain by ordinary citizens. Registered  
20 voters can hold both public officials and contractors to a high ethical standard and  
21 seek remedies when violations occur.

22 2) Amendment 54 furthers the efficient use of taxpayer dollars by promoting  
23 competitive bidding for government contracts. It makes contracts where fewer than  
24 three bids are solicited less attractive by prohibiting political contributions from entities  
25 that receive such contracts. Amendment 54 thus encourages taxpayer value in  
26 contracting, and discourages instances where it may be easy to rely on entities with  
27 existing contracts.

28 **Arguments Against**

29 ~~1) The broad scope of the measure could have far-reaching consequences for~~  
30 ~~contractors, political candidates, and elected officials. For example, an individual~~  
31 ~~holding a covered contract with one local government could be penalized for making a~~  
32 ~~contribution to a candidate in a separate jurisdiction. To avoid violations and~~  
33 ~~penalties, candidates and political parties will have to monitor each contribution to~~  
34 ~~ensure that it is not made by a sole-source government contractor, or by the~~  
35 ~~contractor on behalf of a relative. Furthermore, Amendment 54 establishes penalties~~  
36 ~~that are severe relative to the offenses, including loss or disqualification from office for~~  
37 ~~elected or appointed officials.~~

38 1) Amendment 54 proposes an inflexible approach to government contracting.  
39 Different regions and levels of government throughout the state have varying

1 contracting needs and access to providers of goods and services. Because rural  
2 cities and counties typically have fewer contracting options than urban communities or  
3 state government, the measure presents unique challenges for small communities and  
4 their service providers. For example, if one organization in a small community is the  
5 only available contractor for community services, the organization would have to  
6 choose between accepting a contract and participating financially in the political  
7 process.

8 **Estimate of Fiscal Impact**

9 Amendment 54 requires the state to publish and maintain a summary of each  
10 covered government contract issued by the state and all local government entities,  
11 beginning December 31, 2008. The cost of hiring a contractor to develop the  
12 database is \$234,000. In addition, annual state expenditures of \$85,000 for  
13 one employee are required to manage the database of contracts of approximately  
14 4,000 governmental entities. Thus, the total cost to the state will be \$277,000 and a  
15 half-time employee in budget year 2009 and \$85,000 and one employee in budget  
16 year 2010 and thereafter.

August 12, 2008

Deborah Godshall, Assistant Director  
Colorado General Assembly, Legislative Council  
Rooms 029, State Capitol  
Denver, CO 80203-1784

Via e-mail: lcs.ga@state.co.us

**RE: Initiative #59, Response to Third Draft**

Dear Ms. Godshall:

This office represents the proponents of Initiative #59. Enclosed are the comments and proposed language changes for the third draft of the ballot analysis "Blue Book".

The section on page 4 entitled "Arguments Against". Paragraph 1 should be completely rewritten. The first sentence (page 4, line 2) says, "The broad scope of the measure could have far-reaching consequences for contractors, political candidates and elected officials." The use of the adjective "far-reaching" is inappropriate. Furthermore, since the proposed measure is directed at sole-source government contractors, political candidates, and elected officials, it is not an argument against the measure that the measure effects these persons. The statement in the second ballot analysis should be deleted.

The next sentence contained on page 4, lines 3 through 5 states:

"For example, an individual holding a covered contract with one local government could be penalized for making a contribution to a candidate in a separate jurisdiction."

This is the purpose of proposed Initiative #59, to prohibit political contributions to a candidate or political party by a holder of a sole-source government contract. The above statement is not an argument against, it is the substance of the matter and should not be included in this section.

The last sentence of this section entitled "Arguments Against" is incorrect. The statement at page 4, lines 8 and 9 reads:

"Furthermore, Amendment \_\_\_\_'s penalties put elected officials at risk of losing office for even a small technical oversight."

Ms. Godshall  
August 12, 2008  
Page 2

This statement is incorrect as the measure applies an intentional or knowingly standard before penalties may be imposed. Therefore, this sentence is incorrect and should be changed. The entire section "Arguments Against" paragraph 1 should be deleted. It is incorrect and improper and does not amount to an argument against proposed Initiative #59.

I would also propose an additional sentence or paragraph that the term "immediate family member" is for purposes of this proposal only, i.e., that it does not expand the definition of family for any purposes other than family acting as a conduit for political contributions, and does not create any rights to otherwise unlawful conduct.

Thank you for this opportunity to make comments to the third draft of the ballot analysis. I look forward to receiving the final draft.

Respectfully submitted,

Mark Bender

## MARK GRUESKIN'S COMMENTS ON LAST DRAFT OF AMENDMENT 54

August 1, 2008

All-

I've reviewed the latest draft. Obviously, a lot of thought's gone into it.

I appreciate the fact that you've removed the no-bid/sole-source references from most of this section. I do wonder why the paragraph and chart on the top of page 3 are relevant. Contracts that were not even put out for bid will be a small percentage of what is affected by a measure that applies to contracts for which 3 bids or less are solicited. Proverbially speaking, Apples, meet Oranges. The material on p. 3 misleads voters to think that this is not an extensive measure. I'd suggest either making it truly comparative or leaving it out.

Speaking of "sole source" blather, I have no problem with the second "Argument For" because it at least explains that "sole source" is the misnomer of the new century. (Okay, maybe it's a close second to Rupert Murdoch running "news" organizations.) But this misdirection is stated and restated in the first "Argument For." It's truly misleading and should be changed.

Finally, you've done such a good job of encapsulating the "arguments for" in topical sentences in each paragraph. Please do the same for "arguments against" or revise the "arguments for" so it's a fair contrast. Right now, it's the difference between reading a text message and a phone book. You're certainly entitled to ignore my previous recommendations, but there has to be a way to make them both incendiary or both slightly boring. As long as they're the same in that regard.

Thanks.

Mark

# Last Draft as Mailed to Interested Parties

## Initiative #59 Campaign Contributions from Certain Government Contractors

1     **Amendment \_\_ proposes amending the Colorado Constitution to:**

- 2           ♦ prohibit certain government contractors from contributing to a political  
3           party or candidate for the contract's duration and two years thereafter;
- 4           ♦ prohibit contributors to ballot issue campaigns from entering into certain  
5           government contracts relating to the ballot issue;
- 6           ♦ apply the prohibitions on campaign contributions and ballot issue  
7           contracts to any contractor with a government contract or contracts,  
8           including a collective bargaining agreement, that does not use a public  
9           and competitive bidding process soliciting at least three bids and with a  
10          total value greater than \$100,000 in a single year; and
- 11          ♦ set penalties for violations of the measure and allow a registered voter  
12          to seek enforcement of its provisions through district court.

### 13     **Summary and Analysis**

14           Government entities purchase goods and services from private-sector vendors for  
15           the operation of government. The awarding of contracts for these goods and services  
16           by the state is a regulated process governed by state law. Local governments largely  
17           determine their own practices.

18           ***How are state government contracts awarded?*** State law requires, with few  
19           exceptions, that vendors for state contracts be selected through a competitive bidding  
20           process. Separate rules govern small and emergency purchases. In some cases, the  
21           head of a state agency may determine that only one good or service can reasonably  
22           meet the agency's need, and only one vendor can provide the particular good or  
23           service. Examples of circumstances when competitive bidding is not used include  
24           cases:

- 25           ♦ where equipment, accessories, or replacement parts must be  
26           compatible;
- 27           ♦ where a sole supplier's item is needed for trial use or testing; and
- 28           ♦ where public utility services are to be purchased.

29           Under current law, collective bargaining agreements are not considered state  
30           contracts, and thus are not subject to competitive bidding requirements.

# Last Draft as Mailed to Interested Parties

1        **How does the measure affect government contracts?** Amendment \_\_\_\_  
2 establishes a constitutional definition for a specific type of government contract which,  
3 once met, triggers a prohibition on campaign contributions. Under this measure, the  
4 prohibition applies to contractors with a total contract value of greater than \$100,000 in  
5 a single year where fewer than three bids are solicited. The definition also includes  
6 collective bargaining agreements with labor organizations. Amendment \_\_\_\_ refers to  
7 these contracts as "sole-source contracts."

8        Amendment \_\_\_\_ applies to contracts awarded by the state, cities, counties, school  
9 districts, and other special districts. The measure requires the state to publish and  
10 maintain a database of every sole-source government contract issued at every level of  
11 government.

12        **How does the measure affect campaign contributions?** Under the measure,  
13 covered government contractors are prohibited from making a campaign contribution  
14 themselves, or on behalf of a family member, to any political party or any state or local  
15 candidate for the duration of the contract plus two additional years. A contract holder  
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- 17        ♦ the contracting entity's officers, directors, or trustees;
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19        interest in the entity; and
- 20        ♦ in the case of a collective bargaining agreement, a labor organization  
21        and any political committees it creates to make campaign contributions.

22        The measure also prohibits a person who contributes to a ballot issue campaign from  
23 entering into a sole-source government contract relating to the ballot issue.

24        Passage of the measure would not affect current contribution limits on the amount  
25 of money that can be contributed to candidates for state office in an election cycle, or  
26 the amount of money a candidate or political party can receive from a single source.  
27 Candidates for a local government elective office are not subject to state limits on  
28 campaign contributions. Some local governments have enacted their own laws  
29 governing campaign finance. For example, the cities of Boulder and Fort Collins have  
30 enacted laws placing restrictions on campaign contributions by individuals holding any  
31 type of contract with the local government.

32        **What penalties exist under Amendment \_\_\_\_?** Under Amendment \_\_\_\_,  
33 individuals who accept contributions from covered government contractors for the  
34 benefit of a political party or candidate must pay restitution to the contracting  
35 government. Elected or appointed officials may be removed or disqualified from office  
36 for knowingly violating Amendment \_\_\_\_\_. Further, a covered government contractor  
37 who intentionally makes a contribution in violation of the measure is barred from  
38 holding a sole-source government contract or public employment for three years. The  
39 governor may suspend these penalties during a declared state of emergency.



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6 penalties, candidates and political parties will have to monitor each contribution to  
7 ensure that it is not made by a sole-source government contractor, or by the  
8 contractor on behalf of a relative. Furthermore, Amendment \_\_\_'s penalties put  
9 elected officials at risk of losing office for even a small technical oversight.

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13 cities and counties typically have fewer contracting options than urban communities or  
14 state government, the measure presents unique challenges for small communities and  
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16 only available contractor for community services, the organization would have to  
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25 4,000 governmental entities. Thus, the total cost to the state will be \$277,000 and a  
26 half-time employee in budget year 2009 and \$85,000 and one employee in budget  
27 year 2010.

AMENDMENT 54  
CONTACT LIST

Andy Nickel  
Clean Government Colorado  
andynickel@gmail.com

Bill Hobbs  
SOS  
1700 Broadway, Suite 270  
Denver, CO 80290  
bill.hobbs@sos.state.co.us

Chip (John) Taylor  
Colorado Counties Inc.  
1700 Broadway Suite 1510  
Denver, CO 80290  
jtaylor@ccionline.org

Chuck Broerman  
chuckbroerman@gmail.com

Clark Bolser  
DPA  
clark.bolser@state.co.us

Dan Daly  
Colorado Education Association  
1500 Grant Street  
Denver, CO 80203  
ddaly@nea.org

David Broadwell  
david.broadwell@denvergov.org

Dennis Polhill  
49 S. Lookout Mtn. Road  
Golden, CO 80401  
Dpolhill@aol.com

Doug Friednash  
1200 17th St., Suite 2400  
Denver, CO 80202  
friednashd@gtlaw.com

Elena Nunez  
Colorado Common Cause  
1860 Larimer St., #360  
Denver, CO 80202  
Enunez@commoncause.org

Geoff Wilson  
Colorado Municipal League  
1144 Sherman  
Denver, CO 80203  
gwilson@cml.org

Jess Knox  
Protect Colorado's Future  
protectcoloradosfuture@gmail.com

AMENDMENT 54  
CONTACT LIST

John Hershey  
john.hershey@state.co.us

Jon Caldara  
Independence Institute  
13952 Denver West Pkwy., Suite 400  
Golden, CO 80401  
jon@i2i.org

Julie Geller  
Colorado Forum  
511 16th Street, Suite 210  
Denver, CO 80202  
juliegeller@coloradoforum.com

Julie George  
jgeorge@casb.org

Katy Cutright  
Protect Colorado's Future  
140 Sheridan Blvd., Suite 310  
Denver, CO 80226  
katycutright@yahoo.com

L. Kingsbery  
lkingsbery@casb.org

Mark Bender  
mb@vcn.com

Mark Schwane  
3401 Quebec St., #7500  
Denver, CO 80207  
mschwane@afscmecolorado.org

Mark G. Grueskin  
Isaacson Rosenbaum Woods & Levy P.C.  
633 Seventeenth Street, Suite 2200  
Denver, CO 80202  
mgrueskin@ir-law.com

Marla Lien  
marla.lien@rtd-denver.com

Mary Zuchegno  
Special District Association  
225 E. Sixteenth Avenue  
Denver, CO 80203  
mary.zuchegno@sdaco.org

Mike Cerbo  
Colorado AFL-CIO  
140 Sheridan Blvd., Suite 120  
Denver, CO 80226  
mcerbo@coaficio.org

AMENDMENT 54  
CONTACT LIST

Scott Wasserman  
swasserman@seiu105.org  
303-619-3734

Sherry Ellebracht  
RTD  
1600 Blake St.  
Denver, CO 80202  
sherry.ellebracht@rtd-denver.com

Tom Lucero  
tom@tomlucero.com

Tony Salazar  
Colorado Education Association  
1500 Grant Street  
Denver, CO 80203  
pnoscroy@nea.org

**Amendment 54**  
**Campaign Contributions from Certain Government Contractors**

1    **Ballot Title:** An amendment to the Colorado constitution concerning restrictions on  
2 campaign contributions, and, in connection therewith, prohibiting the holder of contracts  
3 totaling \$100,000 or more, as indexed for inflation, awarded by state or local  
4 governments without competitive bidding ("sole source government contracts"),  
5 including certain collective bargaining agreements, from making a contribution for the  
6 benefit of a political party or candidate for elective office during the term of the  
7 contracts and for 2 years thereafter; disqualifying a person who makes a contribution in  
8 a ballot issue election from entering into a sole source government contract related to  
9 the ballot issue; and imposing liability and penalties on contract holders, certain of their  
10 owners, officers and directors, and government officials for violations of the  
11 amendment.

12    **Text of Proposal:**

13    Be it enacted by the people of the state of Colorado an amendment to the Colorado  
14 constitution article XXVIII by the addition of the following new sections:

15    **Section 15:** Because of a presumption of impropriety between contributions to any  
16 campaign and sole source government contracts, contract holders shall contractually  
17 agree, for the duration of the contract and for two years thereafter, to cease making,  
18 causing to be made, or inducing by any means, a contribution, directly or indirectly, on  
19 behalf of the contract holder or on behalf of his or her immediate family member and  
20 for the benefit of any political party or for the benefit of any candidate for any elected  
21 office of the state or any of its political subdivisions.

22    **Section 16:** To aid in enforcement of this measure concerning sole source contracts, the  
23 executive director of the department of personnel shall promptly publish and maintain  
24 a summary of each sole source government contract issued. Any contract holder of a  
25 sole source government contract shall promptly prepare and deliver to the executive  
26 director of the department of personnel a true and correct "Government Contract  
27 Summary," in digital format as prescribed by that office, which shall identify the names  
28 and addresses of the contract holders and all other parties to the government contract,  
29 briefly describe the nature of the contract and goods or services performed, disclose the  
30 start and end date of the contract, disclose the contract's estimated amount or rate of  
31 payment, disclose the sources of payment, and disclose other information as determined  
32 by the executive director of the department of personnel which is not in violation of  
33 federal law, trade secrets or intellectual property rights. The executive director of the  
34 department of personnel is hereby given authority to promulgate rules to facilitate this  
35 section.

1 **Section 17:** (1) Every sole source government contract by the state or any of its political  
2 subdivisions shall incorporate article XXVIII, section 15, into the contract. Any person  
3 who intentionally accepts contributions on behalf of a candidate committee, political  
4 committee, small donor committee, political party, or other entity, in violation of section  
5 15 has engaged in corrupt misconduct and shall pay restitution to the general treasury  
6 of the contracting governmental entity to compensate the governmental entity for all  
7 costs and expenses associated with the breach, including costs and losses involved in  
8 securing a new contract if that becomes necessary. If a person responsible for the  
9 bookkeeping of an entity that has a sole source contract with a governmental entity, or  
10 if a person acting on behalf of the governmental entity, obtains knowledge of a  
11 contribution made or accepted in violation of section 15, and that person intentionally  
12 fails to notify the secretary of state or appropriate government officer about the violation  
13 in writing within ten business days of learning of such contribution, then that person  
14 may be contractually liable in an amount up to the above restitution.

15 (2) Any person who makes or causes to be made any contribution intended to promote  
16 or influence the result of an election on a ballot issue shall not be qualified to enter into  
17 a sole source government contract relating to that particular ballot issue.

18 (3) The parties shall agree that if a contract holder intentionally violates section 15 or  
19 section 17 (2), as contractual damages that contract holder shall be ineligible to hold any  
20 sole source government contract, or public employment with the state or any of its  
21 political subdivisions, for three years. The governor may temporarily suspend any  
22 remedy under this section during a declared state of emergency.

23 (4) Knowing violation of section 15 or section 17 (2) by an elected or appointed official  
24 is grounds for removal from office and disqualification to hold any office of honor, trust  
25 or profit in the state, and shall constitute misconduct or malfeasance.

26 (5) A registered voter of the state may enforce section 15 or section 17 (2) by filing a  
27 complaint for injunctive or declaratory relief or for civil damages and remedies, if  
28 appropriate, in the district court.

29 **[The following to replace article XXVIII, section 13]**

30 **Section 13: APPLICABILITY AND EFFECTIVE DATE.** The provisions of this  
31 article shall take effect on December 6, 2002, and be applicable for all elections  
32 thereafter, EXCEPT THAT THE PROVISIONS OF THIS ARTICLE CONCERNING  
33 SOLE SOURCE GOVERNMENT CONTRACTS SHALL TAKE EFFECT ON  
34 DECEMBER 31, 2008. Legislation may be enacted to facilitate its operation, but in no  
35 way limiting or restricting the provisions of this article or the powers herein granted.

1 **Section 2 of article XXVIII of the constitution of the state of Colorado is amended**  
2 **BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:**

3 (4.5) "Contract holder" means any non-governmental party to a sole source government  
4 contract, including persons that control ten percent or more shares or interest in that  
5 party; or that party's officers, directors or trustees; or, in the case of collective bargaining  
6 agreements, the labor organization and any political committees created or controlled  
7 by the labor organization;

8 (8.5) "Immediate family member" means any spouse, child, spouse's child, son-in-law,  
9 daughter-in-law, parent, sibling, grandparent, grandchild, stepbrother, stepsister,  
10 stepparent, parent-in-law, brother-in-law, sister-in-law, aunt, niece, nephew, guardian,  
11 or domestic partner;

12 (14.4) "Sole source government contract" means any government contract that does not  
13 use a public and competitive bidding process soliciting at least three bids prior to  
14 awarding the contract. This provision applies only to government contracts awarded by  
15 the state or any of its political subdivisions for amounts greater than one hundred  
16 thousand dollars indexed for inflation per the United States bureau of labor statistics  
17 consumer price index for Denver-Boulder-Greeley after the year 2012, adjusted every  
18 four years, beginning January 1, 2012, to the nearest lowest twenty five dollars. This  
19 amount is cumulative and includes all sole source government contracts with any and  
20 all governmental entities involving the contract holder during a calendar year. A sole  
21 source government contract includes collective bargaining agreements with a labor  
22 organization representing employees, but not employment contracts with individual  
23 employees. Collective bargaining agreements qualify as sole source government  
24 contracts if the contract confers an exclusive representative status to bind all employees  
25 to accept the terms and conditions of the contract;

26 (14.6) "State or any of its political subdivisions" means the state of Colorado and its  
27 agencies or departments, as well as the political subdivisions within this state including  
28 counties, municipalities, school districts, special districts, and any public or quasi-public  
29 body that receives a majority of its funding from the taxpayers of the state of Colorado.