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Final Text #59

## FINAL LANGUAGE Proposed Amendment to Article XXVIII

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

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

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

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

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

- (3) The parties shall agree that if a contract holder intentionally violates section 15 or section 17(2), as contractual damages that contract holder shall be ineligible to hold any sole source government contract, or public employment with the state or any of its political subdivisions, for three years. The governor may temporarily suspend any remedy under this section during a declared state of emergency.
- (4) Knowing violation of section 15 or section 17(2) by an elected or appointed official is grounds for removal from office and disqualification to hold any office of honor, trust or profit in the state, and shall constitute misconduct or malfeasance.
- (5) A registered voter of the state may enforce section 15 or section 17(2) by filing a complaint for injunctive or declaratory relief or for civil damages and remedies, if appropriate, in the district court.

## [The following to replace article XXVIII, section 13]

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

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

- (4.5) "Contract holder" means any non-governmental party to a sole source government contract, including persons that control ten percent or more shares or interest in that party; or that party's officers, directors or trustees; or, in the case of collective bargaining agreements, the labor organization and any political committees created or controlled by the labor organization;
- (8.5) "Immediate family member" means any spouse, child, spouse's child, son-in-law, daughter-in-law, parent, sibling, grandparent, grandchild, stepbrother, stepsister, stepparent, parent-in-law, brother-in-law, sister-in-law, aunt, niece, nephew, guardian, or domestic partner;
- (14.4) "Sole source government contract" means any government contract that does not use a public and competitive bidding process soliciting at least three bids prior to awarding the contract. This provision applies only to government contracts awarded by the state or any of its political subdivisions for amounts greater than one hundred thousand dollars indexed for inflation per the United States bureau of labor statistics consumer price index for Denver-Boulder-Greeley after the year 2012, adjusted every four years, beginning January 1, 2012, to the nearest lowest twenty five dollars. This amount is cumulative and includes all sole source government contracts with any and all governmental entities involving the contract holder during a calendar year. A sole source

government contract includes collective bargaining agreements with a labor organization representing employees, but not employment contracts with individual employees. Collective bargaining agreements qualify as sole source government contracts if the contract confers an exclusive representative status to bind all employees to accept the terms and conditions of the contract;

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

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ROBERT M. LIECHTY

## CROSS & LIECHTY, P.C.

ATTORNEYS AT LAW
SUITE 900

400 SOUTH COLORADO BOULEVARD
DENVER, COLORADO 80246
RLIECHTY@CROSSLIECHTY.COM

TELEPHONE 303-333-4122 FACSIMILE 303-388-1749

January 24, 2008

hand-delivered

Honorable Mike Coffman Colorado Secretary of State 1700 Broadway Denver, CO 80290

Re: Initiative 59, submission to Title Board

Dear Sir:

Mr. Mark Bender and I represent the proponents of what has been designated as Initiative 59. The proponents for the initiative are Jon Caldera and Dennis Polhill, both of 13952 Denver West Parkway, Suite 400, Golden, CO 80401, telephone 303-279-6536. Enclosed are an original and two copies of the Final Language of the proposal; the original language submitted to the Legislative Council; and its January 21, 2008, memorandum. This memorandum contains specific suggestions regarding style and language changes, all of which were adopted or incorporated into the final language. A review all of these documents will indicate the changes between the original and final proposed language.

Please set this matter for a hearing before the Title Board.

Very truly yours,

CROSS & LIECHTY, P.C.

Robert My Liechty

Mark Bender

P.O.Box 200925, Denver, CO 80220