

Colorado Campaign Finance Transparency & Accountability Act

FULL BILL

SECTION 1: TITLE

This Act shall be known as the "Colorado Campaign Finance Transparency & Accountability Act."

SECTION 2: PURPOSE

The purpose of this Act is to:

- Increase transparency in campaign finance by requiring full disclosure of donations and expenditures.
- Eliminate the influence of dark money and foreign-funded entities in Colorado elections.
- Enforce criminal penalties, including jail time, for willful violations of campaign finance laws.
- Restrict ballot access for candidates who fail to comply with campaign finance transparency requirements.
- Establish a public campaign finance fund to reduce the influence of large corporate donations.
- Ensure financial sustainability through fines, penalties, and voter-approved funding mechanisms compliant with the Taxpayer Bill of Rights (TABOR).

SECTION 3: DEFINITIONS

For the purposes of this Act:

- **"Dark Money Group"** – Any organization, entity, or political committee that spends more than \$10,000 in an election cycle to influence the outcome of any Colorado election while failing to disclose donors in compliance with state campaign finance laws.
- **"Foreign-Influenced Entity"** – Any corporation, LLC, or nonprofit where 5% or more of its ownership is controlled by foreign nationals or foreign governments.
- **"Super PAC"** – A political action committee that can raise and spend unlimited funds but cannot coordinate with a candidate's official campaign.
- **"Pass-Through Contribution"** – A donation that originates from one entity but is funneled through multiple organizations or LLCs to obscure the true source.
- **"Willful Violation"** – A deliberate or intentional violation of campaign finance laws, as opposed to an accidental reporting error.

- **"Public Campaign Finance Fund"** – A state-managed program that provides public matching funds to candidates who refuse corporate PAC contributions.
- **"Whistleblower"** – Any individual who provides documented evidence of campaign finance fraud or political corruption to state authorities.
- **"Shell Company"** – Any business entity that:
 - Has no significant assets, operations, or employees beyond those necessary for incorporation; or
 - Primarily exists to facilitate financial transactions rather than engage in legitimate business activities; or
 - Is used to obscure the true source of funds by passing money through multiple entities; or
 - Fails to publicly disclose its beneficial owners (i.e., the real individuals who ultimately control or benefit from it); or
 - Has been used in the past to transfer money to political committees, PACs, or candidates without transparency.

SECTION 4: CAMPAIGN FINANCE TRANSPARENCY REQUIREMENTS

Real-Time Disclosure:

- Any contribution over \$200 made to a candidate, PAC, or Super PAC must be disclosed within 48 hours.
- Contributions over \$5,000 must include:
 - Donor's name and primary employer.
 - Business dealings or contracts with foreign governments.
 - The source of funds is funneled through third-party organizations or shell companies.

Ban on Foreign and Corporate Money:

- Corporations and entities with more than 5% foreign ownership are prohibited from making political contributions.
- Contributions from foreign nationals are banned in all Colorado elections.

Transparency for Dark Money Groups:

- Political spending exceeding \$10,000 must disclose the top five contributors.
- All dark money groups must report their funding sources before making expenditures in Colorado elections.

SECTION 5: CRIMINAL PENALTIES & ENFORCEMENT

- **Concealing Political Contributions Over \$50,000 (Class 4 Felony):**
 - Minimum of 3 years and up to 7 years in state prison.
 - Fine of up to \$500,000.
 - Permanent disqualification from holding elected office in Colorado.
 - Forfeiture of all undisclosed funds.
- **Dark Money Violations:**
 - First offense: \$250,000 fine or triple the undisclosed amount, whichever is greater.
 - Second offense: Class 5 felony, punishable by 1-3 years in state prison and a \$1 million fine.
 - Third offense: Permanent ban from making political expenditures in Colorado elections.
- **Super PAC & Corporate Fraud:**
 - Knowingly laundering political donations to conceal donors (Class 3 Felony):
 - Minimum of 5 years and up to 12 years in state prison.
 - Fine of up to \$2 million.
 - Forfeiture of the organization's ability to operate in Colorado.
 - Candidates who coordinate with illegal dark money groups (Class 4 Felony):
 - Up to 7 years in prison.
 - \$750,000 fine.
 - Immediate removal from office.
- **Corporate Accountability & CEO Liability:**
 - Any corporate officer responsible for illegal contributions (Class 4 Felony):
 - Up to 7 years in prison.
 - Personal fine of up to \$1 million.
 - 10-year ban from serving as an executive in companies doing business with Colorado.
 - Corporations found guilty of funneling illegal campaign donations:
 - \$10 million fine.
 - Loss of state contracts, tax benefits, and subsidies for 10 years.
 - Prohibited from making political contributions in Colorado for 10 years.
- **Whistleblower Protections:**
 - Employees reporting violations are protected from retaliation.
 - **Whistleblower reward:** 10% of fines collected, up to \$250,000.
- **Voter Lawsuits Against Corrupt Officials:**
 - Any Colorado voter may file a lawsuit against an elected official found violating this Act.
 - If successful, the voter receives 10% of the fines collected.

SECTION 6: BALLOT ACCESS RESTRICTIONS

Candidates for President, U.S. Senate, or U.S. House of Representatives in Colorado shall be ineligible to appear on the ballot unless they:

- Fully comply with Colorado campaign finance disclosure laws.
- Do not accept dark money or foreign-influenced corporate donations.
- Publicly disclose all PAC and Super PAC donors contributing over \$10,000.

Enforcement:

- The Colorado Secretary of State's Office shall verify compliance before printing ballots.
- Political parties may not list non-compliant candidates on their primary or general election ballots.

SECTION 7: FUNDING & OVERSIGHT OF THE COLORADO CAMPAIGN FINANCE OVERSIGHT COMMISSION (CCFOC)

1. Self-Sustaining Funding Model:

- 15% of all fines and penalties fund the CCFOC.
- Remaining 85% allocated to election security, public financing, and whistleblower rewards.

2. Voter-Approved Startup Funding & TABOR Compliance:

- One-time **\$2 million voter-approved allocation** from the General Fund, repaid within five years using fines.
- If fines exceed \$10 million annually, a **\$1 million reserve fund** will be created.

3. Additional Revenue Sources:

- **Lobbyist Fees:** \$250 per year.
- **State Contractor Compliance Fees:** 0.1% of contracts over \$5 million.
- **Public Grants:** CCFOC may apply for federal and nonprofit grants.

4. Fiscal Accountability:

- Annual financial reports.
- **Independent audits** to prevent financial misuse.

SECTION 8: SEVERABILITY CLAUSE

If any provision of this Act is found unconstitutional or invalid, the remaining provisions shall remain in full effect.