

**BEFORE THE SECRETARY OF STATE
STATE OF COLORADO
CASE No. OS-2016-_____**

**IN THE MATTER OF THE COMPLAINT FILED BY JOHN K. ANDREWS, JR.
REGARDING ALLEGED CAMPAIGN AND POLITICAL FINANCE
VIOLATIONS BY COMPASSION AND CHOICES ACTION NETWORK**

Introduction

This campaign finance complaint is brought against Compassion and Choices Action Network (“CCAN”) because that organization failed to file as an issue committee, even though it has spent millions to support Proposition 106. CCAN has served as a conduit to hide the true source of over \$4.5 million dollars in contributions. This flood of undisclosed money is over 90% of all contributions made to support Proposition 106, and it dwarfs CCAN’s past operating revenues.

Parties and Jurisdiction

1. John K. Andrews, Jr. is a registered Colorado elector. His mailing address is 7156 S. Verbena Way, Centennial, Colorado 80112.
2. Compassion and Choices Action Network (“CCAN”) is a nonprofit corporation operating in Colorado. Its main office is located at 4155 E. Jewell Ave., Suite 200, Denver, Colorado 80222.
3. Jurisdiction is proper under Colo. Const. Art. XXVIII, § 9(2).

Factual background

4. Proposition 106 seeks to amend Colorado statute to legalize suicide under certain circumstances. Following a motion for rehearing, the Colorado Title Board fixed the ballot title and submission clause on April 28, 2016.
5. For purposes of Colorado campaign finance law, Proposition 106 became a ballot issue on April 28, 2016 under C.R.S. § 1-45-108(7)(a)(I).
6. “Yes on Colorado End of Life Option” registered as an issue committee under Colorado law on May 6, 2016. On May 13, 2016 it amended its registration, renaming itself “Yes on Colorado End of Life Options” (referred to as the “End of Life Committee” or the “Committee”). It again amended its registration on June 1, 2016.

7. The End of Life Committee received its first contribution from CCAN on May 6, 2016, in the amount of \$500,000. For its first contribution report on May 16, 2016, the End of Life Committee reported receiving a total of \$500,000 in monetary contributions, all of which came from CCAN. It also received \$12,455 in non-monetary contributions, of which \$11,955 came from Choices and Compassion (an organization connected with CCAN) and another \$500 from CCAN.

8. During its existence, the End of Life Committee has raised \$4,946,038, of which \$4,500,500 has come from CCAN, as follows:

Date	Monetary Contribution	Non-Monetary Contribution
May 6, 2016	\$500,000	
May 9, 2016		\$500
June 7, 2016	\$3,750,000	
September 8, 2016	\$250,000	

9. In addition, Compassion and Choices has contributed approximately \$178,878 in non-monetary contributions, as follows:

Date	Non-Monetary Contribution
May 6, 2016	\$50
May 6, 2016	\$49
May 11, 2016	\$11,856
June 3, 2016	\$17,932
June 6, 2016	\$315
September 14, 2016	\$129,288
September 14, 2016	\$3,242
September 14, 2016	\$11,785
September 14, 2016	\$315
September 14, 2016	\$514
September 14, 2016	\$1,105
September 14, 2016	\$2,219
September 14, 2016	\$85
September 14, 2016	\$64
September 14, 2016	\$59

10. These numbers are likely incorrect, because the End of Life Committee's contribution and expenditure reports contain numerous errors involving non-monetary

contributions and expenditures made by CCAN and Compassion and Choices. For example, the Committee's reports show:

- CCAN made \$815 in non-monetary expenditures on behalf of the End of Life Committee, but the Committee failed to report those as non-monetary contributions;
- Compassion and Choices -- and several for-profit companies -- made \$14,382 in non-monetary expenditures on behalf of the End of Life Committee, which failed to report corresponding non-monetary contributions;
- Compassion and Choices made \$11,856 in non-monetary contributions for "professional services" on May 11, and another non-monetary contribution of \$17,932 for employee services on June 3, 2016. But the End of Life Committee reported no non-monetary employee service contributions for most of June, all of July, and all of August, followed by a \$129,288 non-monetary contribution on September 14, 2016. Upon information and belief, the End of Life Committee did not lay off or fire all employees for the months of June, July, and August, and then suddenly increase its labor costs in September; and
- The End of Life Committee reported \$14,697 in non-monetary contributions that have no corresponding non-monetary expenses.

11. Although the End of Life Committee's total monetary and non-monetary contributions may be incorrect, reported numbers show that CCAN contributed approximately 91% of all contributions to the End of Life Committee. Any errors in the Committee's reporting does not materially alter this large percentage of contributions.

12. Although the End of Life Committee's total monetary and non-monetary contributions may be incorrect, reported numbers show that Compassion and Choices contributed approximately 4% of all contributions to the End of Life Committee. Any errors in the Committee's reporting does not materially alter this percentage of contributions.

13. Overall, the issue committee donors' true identities were hidden for 95% all contributions to the End of Life Committee, because neither CCAN nor Compassion and Choices publicly disclose their donors.

14. Based on reported revenue and expense numbers, CCAN's \$4,500,500 contribution represents the overwhelming amount of its expenses for 2016. CCAN's federal tax returns show the following revenue numbers for each fiscal year (from July 1st until June 30th of each year) as follows:

Year	Revenue	Expenses
2009-2010	\$385,365	\$420,666
2010-2011	\$295,884	\$238,734
2011-2012	\$305,659	\$104,673
2012-2013	\$808,413	\$834,232
2013-2014	\$323,390	\$118,593
2014-2015	\$3,019,976	\$370,964
Average	\$876,979	\$347,979
High	\$3,019,976	\$370,964

15. In addition to providing the vast majority of funding for the End of Life Committee, CCAN is closely connected Committee in the additional following ways.

- The two organizations share the same address at 4155 E. Jewell Ave., Suite 200, Denver, Colorado 80222;
- The two organizations share the same office space;
- CCAN frequently publicizes and endorses the Committee’s activities on the web site CCAN shares with Compassion and Choices; and
- Both organizations share the same policy objectives.

16. CCAN is also closely connected to Compassion and Choices:

- Both organizations list www.compassionandchoices.org as their web site;
- The two organizations share the same address;
- The two organizations share office space;
- The two organization list one another as “affiliated organizations” on their IRS tax returns;
- “Compassion and Choices Magazine” publishes information about both Compassion and Choices and CCAN. Upon information and belief, the magazine publicizes CCAN’s activities with CCAN’s consent;
- The Compassion and Choices Action Network donation page appears on the Compassion and Choices web site; and

- The two organizations identify one another as affiliated organizations in their tax returns.

17. In the Summer, 2016, edition of “Compassion and Choices Magazine,” CCAN publicly stated that it is “Advancing” a “Ballot Initiative” in Colorado.

18. On the CCAN donation page, located on the Compassion and Choices website, CCAN has solicited contributions specifically to “conduct ballot campaigns.”

19. Colorado’s Proposition 106 is the only ballot initiative in any state in 2016.

20. Colorado’s Proposition 106 is the only ballot initiative that CCAN is advocating for in 2016.

21. CCAN is a highly sophisticated organization that has spent over \$4.5 million dollars to support Proposition 106.

22. CCAN is capable of spending substantial sums to hire legal and accounting help in order to comply with Colorado’s campaign finance laws. For example, the End of Life Committee has spent nearly \$27,000 in legal fees alone.

23. CCAN’s refusal to register and file as an issue committee is a flagrant and willful violation of Colorado’s campaign finance laws.

FIRST Claim for Relief
(Failure to File as an Issue Committee
Colo. Const. Art. XVIII §2(10) and C.R.S. § 1-45-108(3.3))

24. The complainant incorporates all previous allegations.

25. On April 28, 2016, the effort to pass a ballot initiative legalizing medical suicide became a ballot issue for campaign finance purposes under C.R.S. § 1-45-108(7)(a)(I).

26. Under Colo. Const. Art. XXVIII § 2(10)(a) an issue committee is formed when any “group of two or more persons ... has a major purpose of supporting or opposing a ballot issue or question” or “has accepted or made contributions or expenditures in excess of two hundred dollars to support or oppose any ballot issue or ballot question.”

27. CCAN has a major purpose of supporting Proposition 106.

28. CCAN has made contributions or expenditures in excess of two hundred dollars to support Proposition 106.

29. CCAN become an issue committee no later than May 6, 2016, when it contributed \$500,000 to the End of Life Committee.

30. CCAN was required under C.R.S. § 1-45-108(1)(a)(I) to register as an issue committee with the Colorado Secretary of State.

31. Under C.R.S. § 1-45-108(3.3) CCAN was required to register as an issue committee within 10 days of receiving a contribution or making an expenditure to support Proposition 106.

32. Under C.R.S. § 1-45-108(3.3) the deadline for registration was no later than May 16, 2016.

33. CCAN failed to register as an issue committee.

Second Claim for Relief
(Failure to File Issue Committee Reports
Colo. Const. Art. XVIII §2(10) and C.R.S. § 1-45-108(1(a)(I))

34. The Complainant incorporates all previous allegations.

35. As an issue committee, CCAN was required to file contributions and expenditure reports on:

- May 16, 2016;
- May 31, 2016;
- June 13, 2016;
- June 27, 2016;
- August 1, 2016;
- September 6, 2016; and
- September 19, 2016.

36. CCAN failed to file any issue committee reports.

37. By failing to file any reports, CCAN is liable for a fine of \$50 per day for each day a report is late.

38. As of this *Complaint* filed on September 28, 2016, CCAN must pay the following fines:

Report Due	Report Due Date	Days Late	Daily Fine	Total Fine
Committee Registration	16 May 2016	135	\$50	\$6,750
Contribution & Expenditure	16 May 2016	135	\$50	\$6,750
Contribution & Expenditure	31 May 2016	120	\$50	\$6,000
Contribution & Expenditure	13 June 2016	107	\$50	\$5,350
Contribution & Expenditure	27 June 2016	93	\$50	\$4,650
Contribution & Expenditure	1 Aug 2016	58	\$50	\$2,900
Contribution & Expenditure	6 Sep 2016	22	\$50	\$1,100
Contribution & Expenditure	19 Sep 2016	9	\$50	\$450
	Total	679	\$400	\$33,950

Prayer for Relief

39. The Complainant requests that the Court order the Proponents to register as an issue committee and complete all other necessary filings.

40. The Complainant requests that the Court order CCAN to pay a fine of \$50 per day for failure to register as an issue committee, and \$50 per day for each day a report has not been filed.

41. The total fine is \$33,950 and will continue to accrue at \$400 per day.

42. The Complainant requests all other relief as just and proper.

Respectfully submitted this 28th day of September, 2016.

KLENDAGESSLER & BLUE, LLC

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