BEFORE THE COLORADO SECRETARY OF STATE

Campaign Finance 1700 Broadway, Suite 200 Denver, CO 80290

Defend Colorado,

Complainant

VS.

Phil Weiser for Colorado, Candidate for Colorado Attorney General Respondent

CAMPAIGN FINANCE COMPLAINT

Defend Colorado, Complainant, submits the following Campaign Finance Complaint to the Secretary of State pursuant to Article XXVIII, Section 9 of the Colorado Constitution and Colorado Revised Statute §1-45-111.7(2).

1. Summary

This Campaign Finance Complaint arises from an extravagant trip to Hawaii taken by Phil Weiser in his official capacity as Colorado Attorney General. Weiser, traveling with an entourage of executive staff members, attended the Attorney General Alliance ("AGA") Annual Meeting in Maui, Hawaii. The meeting was held at the Waldorf Astoria Grand Wailea Maui Resort from Monday, June 14, 2021 through Friday, June 18, 2021. On-line bookings for the resort during that timeframe start at \$1,476/ per night.

Weiser is currently Chair of the AGA, a group that solicits, and is funded primarily by, corporate sponsorships. The sponsors include companies Weiser regulates as Attorney General of the State of Colorado. Several of the sponsors were then, or are currently, engaged in active litigation against the State of Colorado. These include Juul, Purdue Pharma, Pfizer, Google and Facebook. *See Exhibit 1.*

While Weiser attended the AGA meeting in his official capacity as Colorado Attorney General and state employees accompanied him on the trip, Weiser actually held a campaign event at the resort as well. On June 15, 2021, Weiser held a fundraiser for his re-election campaign in the Grand Wailea Grand Dining Room. The site fee for the Grand Dining Room is valued at \$6,000 with a food and beverage minimum of \$39,760 plus tax and a 25% service charge. *See Exhibit 2.*

Weiser is pictured at the event (with no face covering in violation of the Hawaii health code) surrounded by corporate lobbyists that paid for access to the Attorney General. *See Exhibit 3*.

Weiser failed to report this room fee and food and beverage minimum as a contribution or expenditure of his campaign. Instead, Weiser reported only \$437 as an expenditure of food/beverage for the event.

Weiser further accepted this illegal gift in violation of C.R.S. § 24-6-203 and failed to disclose its existence on his subsequent gift and honoraria report.

This is not a minor infraction or inadvertent mistake. Nor is this a small campaign run on a shoestring budget. Weiser currently has over \$2M cash on hand in his campaign account. <u>https://tracer.sos.colorado.gov/PublicSite/SearchPages/CandidateDetail.aspx?SeqID=47921</u> His campaign includes consultants and compliance staff to ensure he abides by the same laws that apply to other candidates. Weiser prosecutes minor campaign infractions with the full force of the law, often requiring candidates to spend years and thousands of dollars to resolve cases of far less significance.

Colorado voters expect the Attorney General to understand and abide by the campaign finance laws of the state. Weiser's case is not a technical matter that can be cured. This is an egregious violation committed by the State's chief legal officer. While other state attorneys general may be allowed to attend such extravagant events paid by corporate sponsors, and mix campaign events in with the official travel, these are clear violations of Colorado law.

Parties

- 1. Complainant is a registered nonprofit corporation in Colorado.
- 2. Phil Weiser is a candidate for Attorney General. Weiser filed a candidate affidavit on May 7, 2020, affirming he has read and understands Colorado's campaign finance laws.

Jurisdiction

- 3. The Secretary of State has jurisdiction to refer this matter to an administrative law judge under Colo.Const.Art. XXVIII §9.
- 4. The Secretary of State has authority to investigate and file a complaint under C.R.S. §1-45-111.7.

Allegations

Failure to report campaign contributions

5. A contribution is defined in Colo.Const.Art XXVIII § 2(5)(a)(I) as:

The payment, loan, pledge, fit, or advance of money, or guarantee of a loan, made to any candidate committee...

- 6. There is no question that on 6/15/21, while on purported official business, Weiser held a fundraiser for his reelection. Campaign finance reports disclose he reported \$437.50 in food and beverage for a "6/15/21" event, paid to the Grand Wailea Resort. https://tracer.sos.colorado.gov/CampaignFinance/Filings/Schedules/ViewExpenditureSchedule.aspx?FilingID=311743
- 7. The fundraiser was held in the Grand Wailea Grand Dining Room. The room charge starts at \$6000 with a minimum food and beverage fee of \$39,760 plus tax and a 25% service fee.
- 8. The Secretary of State's campaign finance manual specifically requires the reporting of this contribution:

The use of a space (room, building, etc.), telephones, office equipment, printed material, or any other goods or services by a committee or party is considered a contribution to the committee or party from the person who owns the space, office equipment, business providing the service, etc. Such a contribution is therefore subject to contribution limits and prohibitions. For example, **law typically prohibits the contribution/donation of the use of a ballroom at a corporate-owned hotel (whether donated outright, or given for use at a reduced rate) as a corporate contribution with the possible exception if, and only if, the hotel provides free use to other entities in the usual course of its business.** *Emphasis added,*

https://www.sos.state.co.us/pubs/elections/CampaignFinance/files/CPFManual.pd <u>f</u>, *p.34*.

9. Weiser's use of the ballroom fits squarely within the requirement. Weiser is required to report the contribution of the Grand Dining room as a donation, either in dollars or in-kind. C.R.S. § 1-45-108.

Failure to report campaign expenditure

10. An expenditure is defined in Colo.Const.Art XXVIII § 2(8)(a) as:

Any purchase, payment, distribution, loan, advance, deposit, or gift of money by any person for the purpose of expressly advocating the election or defeat of a candidate...

11. Weiser fails to report the vast majority of the expenditure in this matter. The \$437.50 reported in TRACER is a small fraction of the true cost. Exhibit 2 details the fees and requirements for rental of the Grand Dining Room and Exhibit 23demonstrates the event was staffed by the Grand Wailea. Weiser fails to report the staff cost, room cost and food and beverage fee.

12. These expenditures are required to be timely reported. C.R.S. § 1-45-108.

Acceptance of illegal campaign contributions

- 13. Because Weiser himself did not report the contribution or expenditure for the room, the source of the donation is hidden. The donation likely came from the AGA as part of the room and conference fees or was a contribution from the resort itself. But under state law the market value for this facility is a campaign contribution.
- 14. Under Colo.Const.Art. XXVIII § 3(4)(a), these are illegal contributions:

It shall be unlawful for a corporation or labor organization to make contribution to a candidate committee or a political party.

- 15. The contribution also far exceeds the contribution limits set forth in Colo.Const.Art. XXVIII § 3(1)(a)(II). No candidate committee for attorney general may accept more than \$1250 in any one election cycle. <u>https://www.sos.state.co.us/pubs/elections/CampaignFinance/limits/contributions.html#c</u> <u>andidateCommittee</u>
- 16. Prohibiting these types of donations is precisely why the people adopted Article XXVIII of the state constitution:

The people of the state of Colorado hereby find and declare that large campaign contributions to political candidates create the potential for corruption and the appearance of corruption; that large campaign contributions made to influence election outcomes allow wealthy individuals, corporations, and special interest groups to exercise a disproportionate level of influence over the political process; that the rising costs of campaigning for political office prevent qualified citizens from running for political office...that political contributions from corporate treasuries are not an indication of popular support for the corporation's political ideas and can unfairly influence the outcome of Colorado elections; and that the interests of the public are best served by limiting campaign contributions, encouraging voluntary campaign spending limits, providing for full and timely disclosure of campaign contributions... and strong enforcement of campaign finance requirements. Colo.Const.Art. XXVIII § 1.

Violations of reporting and acceptance of gifts by incumbents

- 17. State elected officials are required to report gifts, payments and reimbursements on a quarterly report to the Secretary of State. C.R.S. § 24-6-203.
- 18. Weiser failed to report the Grand Dining Room and associated costs on his gifts and honoraria report filed on July 15, 2021. <u>https://tracer.sos.colorado.gov/PublicSite/ReportS/ReportViewer.aspx</u>

19. Colorado Sunshine Laws further prohibit elected officials from accepting in-kind gifts. C.R.S. § 24-6-203(3.5)(a)(II). The only potential exception is a contribution in-kind that has already been reported pursuant to section 1-45-108, C.R.S. As previously stated, Weiser has not reported this as an in-kind donation.

Wherefore, the Complainant requests an investigation in this matter, a fine commensurate with the violation and require Weiser to report the source of this unlawful contribution.

Exhibit 1 AG Alliance Sponsors

We will like to thank our sponsors for their support to AG Alliance. If you are interested in becoming a sponsor please contact meeting planner Ale Stephens at <u>AStephens@AGAlliance.org</u> or 303.304.9206 for more information.

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Accessed from: <u>https://web.cvent.com/event/ca532b3f-8cc4-42ae-8e31-</u> 454ed846c302/websitePage:09992a0f-d10e-479b-b3ea-f0d7684884f4

Exhibit 2 Quoted Site Fee for Grand Wailea Grand Dining Room

From: Carol Suckow <Carol.Suckow@waldorfastoria.com> Date: Wednesday, August 18, 2021 at 2:16 PM Subject: Grand Wailea - Grand dining room for June, 2022

Aloha

Thank you for your phone call.

For the Grand dining room, the estimated pricing for an event would be as follows:

5:30pm – 10:00pm 100 maximum Food and Beverage minimum: \$39,760 plus tax and 25% service charge Site fee: \$6,000 plus tax

There is a fee to remove and store the existing furniture. When we get to the point where we are exploring a definite date and event schedule , we will be pleased to confirm this.

Let me know if we can be of further assistance.

Best, Carol

CAROL SUCKOW SENIOR SOCIAL CATERING MANAGER

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GrandWailea.com



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Exhibit 3

Phil Weiser at Political Fundraiser at Grand Wailea Resort – Maui, HI



Phil Weiser Political Fundraiser, June 15, 2021, Grand Wailea Resort, Maui, Hawaii



Phil Weiser Political Fundraiser, June 15, 2021, Grand Wailea Resort, Maui, Hawaii



Grand Wailea Resort Hotel & Spa

Grand Dining Room

Grand Dining Room and Foyer 10,050 Square Feet People

