



FACT

FOUNDATION FOR
ACCOUNTABILITY
AND CIVIC TRUST

June 15, 2022

Chairman Christopher A. Coons
Vice Chairman James Lankford
Senate Select Committee on Ethics
220 Hart Senate Office Building
United States Senate
Washington, DC 20510

Dear Chairman Coons and Vice Chairman Lankford,

The Foundation for Accountability and Civic Trust (FACT) is a nonprofit organization dedicated to promoting accountability, ethics, and transparency in government and civic arenas. We request the Senate Select Committee on Ethics immediately investigate Colorado Senator John Hickenlooper for violating federal law and Senate ethics rules. It appears Hickenlooper did not report multiple stock trades in violation of federal law and Senate ethics rules.

Federal law and Senate ethics rules require Senators to disclose their financial information to the public.¹ The disclosure requirements are an integral part of an ethical and transparent government: accurate and timely filing is the only method for citizens to determine whether Members have conflicts of interest or are wrongfully profiting from their position.²

Under the disclosure requirements, each Senator must file an annual financial disclosure statement that provides a “full and complete” statement of the Senator’s assets, debts, and income, as well as any positions held outside of the Senate.³ In addition to the annual report, a Senator must file a periodic report to disclose any financial transaction that exceeds \$1,000, which must be filed within 30 or 45 days from the date of the transaction.⁴ This law is directly incorporated into Senate rules and is considered to be the “heart of the [Senate] code of

¹ 5 U.S.C. app 4 sec. 101-111; Senate Rules 34, 41.

² *Id.*

³ 5 U.S.C. app 4 sec. 101-111 (disclosure requirements); sec. 102(a)(5) (requirement for disclosure of financial transactions over \$1,000); Senate Rules 34, 41.

⁴ *Id.*

conduct.”⁵ Each Senator has an affirmative duty to comply with the law and every violation has consequences.⁶

Recently, it was reported that Senator John Hickenlooper disclosed asset trades in May, which were several months to over a year after the deadline.⁷ Hickenlooper filed a transaction report on May 16, 2022, which disclosed stock trades valued at up to \$1.3 million.⁸ The trades all occurred between March and November of 2021 and were reported months late, with two of the transactions being over a year late.⁹

This is a clear violation of federal law and Senate ethics rules—and an egregious case because of the extreme delay. The laws must be strictly followed in order to reveal whether a Senator has used non-public information for profit or whether his official actions were altered in order to benefit his personal investments. When disclosures are this late it becomes difficult, if not impossible, to determine whether a Senator had a conflict of interest and the law becomes ineffective. Senators are well aware of their duty to comply with the law and have an affirmative duty to do so.

The Senate Select Committee on Ethics must act to ensure Senators comply with the most basic ethics requirements to maintain the public’s trust. Senator Hickenlooper’s stock trades and any failure to comply with federal law must be investigated and appropriate sanctions imposed. Thank you for your time.

Sincerely,

/s/Kendra Arnold

Kendra Arnold

Executive Director, Foundation for Accountability & Civic Trust

⁵ Senate Rules 34, 41; Senate Ethic Manual, U.S. Senate Select Comm. on Ethics, at 124 (2003 ed), available at: https://www.ethics.senate.gov/public/_cache/files/f2eb14e3-1123-48eb-9334-8c4717102a6e/2003-senate-ethics-manual.pdf (“The drafters of the original Senate Code of Official Conduct . . . considered full and complete public financial disclosure to be the heart of the code of conduct.” (internal citation and quotation marks omitted)).

⁶ The Ethics in Government Act does not allow Members to break the law without consequence. *See, e.g.*, 5 U.S.C. app 4 sec. 104(a)(1) (providing for a civil penalty not to exceed \$50,000); sec. 104(a)(2) (making it unlawful for any person to knowingly and willfully fail to file or report any information required under section 102, with penalties of up to \$50,000 and imprisonment of not more than one year); sec. 104(d) (providing for a late filing fee of \$200); *see also* Senate Select Comm. on Ethics, available at <https://www.ethics.senate.gov/public/index.cfm/financialdisclosure> (“Any individual who is required to file a report and files such report more than 30 days after the due date, or, if an extension is granted, more than 30 days after the last day of the filing extension period, **shall be subject to a \$200 penalty.**” (emphasis in original)).

⁷ Gabe Kaminsky, *EXCLUSIVE: Dem Senator’s Alleged Violation Of Stock Disclosure Rules Has Watchdogs Worried*, Daily Caller, June 1, 2022, available at: <https://dailycaller.com/2022/06/01/john-hickenlooper-disclosures-watchdog-corruption/>

⁸ John Hickenlooper, Periodic Transaction Report, United States Senate Financial Disclosures, filed May 16, 2022, available at: <https://efdsearch.senate.gov/search/view/ptr/9b809dc9-35a0-441f-a513-c3317eced55/>

⁹ *Id.*