

July 23, 2021

Michael Brandi, Executive Director
State Elections Enforcement Commission
55 Farmington Ave., 8th Floor
Hartford, CT 06105

Dear Mr. Brandi,

Enclosed please find a sworn complaint against the American Legislative Exchange Council (ALEC) and its Connecticut state chair, Rep. Mike France, requesting an investigation into potential violations of Connecticut campaign finance law during the 2020 election cycle.

Complainants are:

Arn Pearson, Executive Director
Center for Media and Democracy
520 University Ave., Suite 305
Madison, WI 53703
608-260-9713 (o)
207-272-2886 (c)
arn@prwatch.org

Cheri Quickmire, Executive Director
Common Cause in Connecticut
41 Prospect Place
East Haven, CT 06512
860-539-6846
CQuickmire@commoncause.org

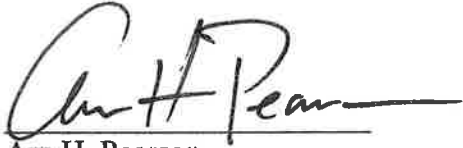
Respondents are:

American Legislative Exchange Council
2900 Crystal Drive, 6th Floor
Arlington, VA 22202
703-373-0933
lnelson@alec.org (Lisa Nelson, Executive Director)


Rep. Mike France
Legislative Office Building, Room 4200
300 Capitol Ave.
Hartford, CT 06106
860-240-8700

Please let us know if you need any additional information.

Sincerely,

A handwritten signature in cursive script, appearing to read "Arn H. Pearson", written over a horizontal line.

Arn H. Pearson

A handwritten signature in cursive script, appearing to read "Cheri Quickmire", written over a horizontal line.

Cheri Quickmire

Cc: Shannon Kief, Legal Program Director

**COMPLAINT FOR VIOLATION OF CONNECTICUT
CAMPAIGN FINANCE LAWS**

**SUBMITTED BY THE CENTER FOR MEDIA AND DEMOCRACY
AND COMMON CAUSE IN CONNECTICUT**

Introduction

The Center for Media and Democracy (CMD) and Common Cause in Connecticut hereby file a complaint based on information providing reason to believe the American Legislative Exchange Council (ALEC) and its state chair, Rep. Mike France, have violated Connecticut's prohibition on corporate campaign contributions and reporting requirements through the giving and receipt of illegal in-kind campaign contributions as follows:

1. As a benefit of his membership in ALEC, ALEC gave, and Rep. France received, free sophisticated voter management and campaign software for the 2020 election cycle worth thousands of dollars, despite ALEC's status as a 501(c)(3) tax-exempt corporation barred from engaging in electoral activity under federal law and in violation of Conn. Gen. Stat. §§ 9-608 and 9-613.
2. CMD and Common Cause have only named ALEC and its state chair in this complaint because ALEC keeps its membership list secret from the public. However, as the same violations of law potentially apply to all ALEC members, CMD and Common Cause respectfully request that the Connecticut State Elections Enforcement Commission (Commission) initiate a broader investigation into the alleged violations with respect to all members of ALEC who ran for election in 2020 and require ALEC to provide it with a full membership list.
3. In addition to this complaint, CMD has filed an Internal Revenue Service (IRS) whistleblower action against ALEC for violating its 501(c)(3) status by illegally engaging in political activity by virtue of its provision of the voter management software, training, and support to hundreds of Republican legislators. Ex. 1.

Parties of Interest

4. ALEC is a national 501(c)(3) organization that brings legislators together with corporate lobbyists to develop and promote model legislation for passage in at least 47 states. In recruiting legislative members, ALEC describes itself as “one of America’s most dynamic public-private partnerships with nearly 300 corporate and private foundation members” who “work together to develop policies and programs.” Ex. 2.
5. Although ALEC claims to the IRS that it spends \$0 on lobbying, the Minnesota Campaign Finance and Public Disclosure Board found in 2015 that “ALEC’s primary purpose is the passage of state legislation in the various states and that all of its wide-ranging activities are in support of this primary purpose.” Ex. 3.
6. ALEC’s lobbying activities have been thoroughly documented in a 2012 IRS whistleblower complaint and three supplemental submissions by Common Cause and CMD. The filings and supporting documents can be found at <https://www.commoncause.org/resource/alec-whistleblower-complaint/>.
7. Rep. Mike France is ALEC’s current Connecticut public sector state chair.
8. Voter Gravity is a for-profit company run by Ned Ryun, founder and president of American Majority, a right-wing candidate training operation, and American Majority Action, its voter mobilization affiliate. The organizations were the subject of an IRS complaint for excessive political activity and self-dealing filed by the Campaign for Accountability in July 2020. Ex. 4. American Majority Action holds an 84% ownership stake in Voter Gravity and shares the same P.O. Box address. Ex. 5. Voter Gravity’s website claims that it gives candidates everything they need to “turn [] data into votes.” Ex. 6.

Factual Background

9. Since at least 2016, ALEC has provided its dues-paying members with “ALEC CARE” (Constituent Analytics Research Exchange) software, training, and assistance as an exclusive membership benefit. While ALEC describes CARE as a “constituent services” program, it is in fact a “voter contact platform” developed by the company Voter Gravity and linked to the

Republican National Committee's (RNC) voter database. *See* David Armiak and Arn Pearson, "ALEC Gives Lawmakers Free Data Program Run by Republican Operatives," Center for Media and Democracy (Feb. 8, 2021), <https://www.exposedbycmd.org/2021/02/05/alec-gives-lawmakers-free-data-program-run-republican-operatives/> (also attached as Ex. 13).

10. In its ALEC CARE promotional materials, ALEC claims purchasing an equivalent service "typically costs legislators thousands of dollars." Ex. 7. ALEC members pay dues of \$100 per year.
11. Voter Gravity's pricing structure shows that non-ALEC members pay between \$99 and \$5,000 a month for the service depending on the size of the voter file provided. Ex. 8. This non-ALEC member pricing constitutes the fair market value of this service. Based on the size of his districts, Rep. France would have had to pay \$99 per month to purchase this service without ALEC CARE, for a total of \$2,376 over the course of the 2020 election cycle.
12. Alternatively, in a recent email obtained by CMD. ALEC claims that the software would normally cost \$3,000, "but is a member benefit." Ex. 9
13. While ALEC publicly emphasizes the "constituent research and engagement" benefits of the service, the voter database and management software provided by ALEC is clearly designed to help ALEC legislators win reelection. Voter Gravity explicitly markets the software as a "powerful" tool for political campaigns from "an approved mobile app vendor for the Republican National Committee and fully integrated with the RNC's database." Ex 8.
14. Voter Gravity's website extensively extolls the electoral purpose of its software package, which is exactly the same suite that ALEC provides to its members as "CARE," stating that, "Voter Gravity empowers campaigns to unleash their voter contact efforts, making your strategy bigger, faster, and more targeted than ever before." Indeed, Voter Gravity's "Demo" page on its website is captioned "Ready to Win?" and comes preloaded with a box to check if you are a member of ALEC. Ex. 10.
15. In 2015, Voter Gravity issued a press release announcing its "full integration" with the RNC, which its CEO Need Ryun said would "allow any candidate or state party who chooses to use

Voter Gravity on the front end to put data back in real time into the RNC.” The company’s head of operations stated that, “We believe that this is going to help Republican candidates win in 2016.” Ryun added that the program’s goal was to “fully leverage all of our data technology” in order “to outmaneuver the left philosophically and politically.” Ex. 11.

16. ALEC’s legislative membership is almost exclusively Republican, and all of the 82 state chairs listed on ALEC’s website, including Rep. France, are members of the Republican party.
17. ALEC claims to have more than 2,000 legislative members. Using ALEC’s stated value of \$3,000 per member for the ALEC CARE program, CMD and Common Cause estimate that ALEC made more than \$6 million in unreported and illegal in-kind campaign contributions across the country in the 2020 elections.
18. Information provided to CMD by a whistleblower shows that ALEC members using CARE have access to party affiliation, ideology, issue interest, income, education, religion, Tea Party support, voter history, precinct information, and “turnout score” data for voters in their districts, and services that they can use to create walking lists for door-knocking, set door-knocking and phone calling goals, track supporters, and create Election Day “strike lists” to maximize the turnout of their supporters. Ex. 12; *see also* Ex. 10 at p. 5.
19. ALEC provided free access to Voter Gravity’s voter management software through its ALEC CARE program to Rep. France as a benefit of his membership, but CMD and Common Cause do not possess sufficient information to determine if he used it for his campaign.
20. Rep. France has not disclosed ALEC’s in-kind contribution on his campaign finance reports.

Applicable Law

21. Under Connecticut law, a contribution is “Any gift, subscription, loan, advance, payment or deposit of money or anything of value, made to promote the success or defeat of any candidate seeking the nomination for election, or election.” Conn. Gen. Stat. § 9- 601a.
22. Corporations may not make campaign contributions. Conn. Gen. Stat. §§ 9- 613 and 9-615.

23. Any person who knowingly and willfully violates the prohibition on corporate contributions is guilty of a Class D felony. Conn. Gen. Stat. § 9- 623.
24. Candidates must disclose all campaign contributions and expenditures under Conn. Gen. Stat. § 9- 608(c).
25. Filing an incomplete or inaccurate statement or campaign finance report is a Class A misdemeanor. Conn. Gen. Stat. §§ 9- 608 and 53a-157b.

Violations of Law

26. By providing free RNC-linked Voter Gravity software through ALEC CARE to Rep. France, ALEC knowingly made an illegal in-kind campaign contribution worth between \$2,376 and \$3,000 (i.e., the fair market value of the service) as an entity barred by federal law from engaging in political activity and prohibited from making contributions under Conn. Gen. Stat. §§ 9- 613 and 9-615.
27. Provision of the voter management software to support election campaigns constitutes an illegal in-kind campaign contribution by ALEC whether or not ALEC members ultimately used it for their campaigns. ALEC's disclaimers and transparent repackaging of a powerful campaign tool as "constituent communications" do nothing to reduce its campaign value. The RNC-integrated software comes fully loaded with all campaign data and functions, and data entered by ALEC members get added to the RNC's database, thereby directly benefiting the Republican Party. ALEC's promotional pitch that, "With the opportunities afforded by CARE, our members can be ahead of their colleagues," is just coded language for what VoterGravity says to its users at its demo page: "Ready to win?" See Ex. 1 at p. 15-17; Ex. 10.
28. If Rep. France used the Voter Gravity software provided by ALEC to support his campaign, he received an in-kind campaign contribution worth between \$2,376 and \$3,000 from an entity prohibited from contributing to candidates in violation of Conn. Gen. Stat. §§ 9- 613.

29. If Rep. France used the Voter Gravity software provided by ALEC to support his campaign, his failure to disclose it as an in-kind contribution on his campaign finance reports is a violation of Conn. Gen. Stat. § 9- 608(c).

Action Requested

30. CMD and Common Cause respectfully request that the Commission initiate an investigation into the above alleged violations of Connecticut campaign finance law by ALEC and Rep. France, and impose the appropriate penalties for all violations of law found.

31. In light of the seriousness and scope of the alleged violations, CMD and Common Cause further request that the Commission use its power of subpoena to obtain additional information, including:

- a. The full list of ALEC members in Connecticut who received free RNC-linked voter management software for their 2020 campaigns;
- b. Whether the RNC-linked voter management software was used by legislators or their staff on state time or in state offices; and
- c. The original funder or funders paying Voter Gravity to grant ALEC members the in-kind campaign contribution of free use of its voter management software.

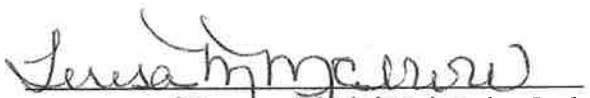
I solemnly swear that the above statement is true and accurate to the best of my knowledge and belief.



Arn H. Pearson, Executive Director
Center for Media and Democracy

7/22/21
Date

Sworn to and subscribed before me this 22 day of July, 2021



Signature of Person Administering the Oath

Notary

Title of Person Administering the Oath

TERESA M. MCIRVIN
Notary Public, State of Maine
My Commission Expires JULY 1, 2027

I solemnly swear that the above statement is true and accurate to the best of my knowledge and belief.

Cheri Quickmire

Cheri Quickmire, Executive Director
Common Cause in Connecticut

July 26, 2021
Date

Sworn to and subscribed before me this 26th day of July, 2021

[Signature]

Signature of Person Administering the Oath

Notary
Title of Person Administering the Oath



