

BEFORE THE FEDERAL ELECTION COMMISSION

CAMPAIGN LEGAL CENTER
1101 14th Street NW, Suite 400
Washington, DC 20005

ROGER G. WIEAND
1101 14th Street NW, Suite 400
Washington, DC 20005

v. MUR No. _____

LEADERSHIP ACTION FUND, INC.
1209 N. Orange St.
Wilmington, DE 19801

FIGHTERS FOR A STRONG AMERICA PAC
and PAUL KILGORE, AS TREASURER
824 S. Milledge Ave., Ste. 101
Athens, GA 30605

ANY UNKNOWN PERSON(S)
who made contributions to Fighters for
a Strong America PAC in the name of
Leadership Action Fund, Inc.

COMPLAINT

1. Leadership Action Fund, Inc., a Delaware tax-exempt corporation, appears to have served a single purpose: serving as a “straw donor” for unknown persons to funnel over \$620,000 in contributions to a super PAC, Fighters for a Strong America PAC, which in turn has made over \$850,000 in independent expenditures supporting T.W. Shannon, a candidate for the U.S. Senate in Oklahoma, during the GOP runoff election. Leadership Action Fund was formed nine days after the super PAC registered with the Commission, and it began contributing hundreds of thousands of dollars to the super PAC — which, in turn, immediately began spending that money on ads supporting Shannon’s candidacy — just one month after being incorporated. These facts indicate that Leadership Action Fund

was organized and used as a straw donor to hide the true contributors' identities, a blatant violation of federal campaign finance laws that deprived voters of information essential to a transparent political process.

2. Fighters for a Strong America PAC ("FSA PAC") is an independent-expenditure only political committee ("IEOPC") — commonly known as a "super PAC" — that registered with the Commission on June 13, 2022. It reported receiving contributions totaling \$620,250 from Leadership Action Fund, Inc. ("Leadership Action"). As set forth in this complaint, Leadership Action does not appear to have generated any bona fide income or engaged in any activities during the one month between its formation on June 22, 2022, and July 25, 2022, when it began making contributions to FSA PAC. These facts support finding reason to believe that unknown persons provided funds to Leadership Action for the purpose of making over \$620,000 in contributions to FSA PAC without disclosing the true contributors' identities.
3. Moreover, Leadership Action is FSA PAC's only reported contributor, which, combined with the close temporal proximity between the two entities' formations and the contributions at issue, supports finding reason to believe FSA PAC knew that Leadership Action was not the true source of these contributions.
4. Accordingly, there is reason to believe one or more unknown person(s) violated 52 U.S.C. § 30122 by contributing \$620,250 in the name of Leadership Action, that Leadership Action violated the same provision by knowingly permitting its name to be used to effect those contributions, and that FSA PAC also violated that statutory prohibition by knowingly accepting the contributions of other persons in the name of Leadership Action.

5. This complaint is filed pursuant to 52 U.S.C. § 30109(a)(1) and is based on information and belief that Leadership Action and any persons that created, operated, and/or made contributions to FSA PAC in the name of Leadership Action violated the Federal Election Campaign Act (“FECA”), 52 U.S.C. § 30101, *et seq.* “If the Commission, upon receiving a complaint . . . has reason to believe that a person has committed, or is about to commit, a violation of [FECA] . . . [t]he Commission *shall make an investigation* of such alleged violation.”¹

FACTS

6. FSA PAC is an IEOPC that registered with the Commission on June 13, 2022, and Paul Kilgore is its treasurer.² FSA PAC has disclosed aggregate receipts of \$620,250 as of August 3, 2022, all of which are itemized contributions.³ Leadership Action is FSA PAC’s only reported contributor, and disclosed the address “1209 N Orange St., Wilmington, DE 19801” in connection with each of its three contributions, which it made between July 25, 2022, and August 2, 2022.⁴ These appear to be the only federal contributions that Leadership Action has reported making.
7. FSA PAC has reported making \$858,174 in independent expenditures from July 27, 2022, through August 18, 2022, all of which have supported T.W. Shannon, a candidate for the U.S. Senate in Oklahoma.⁵ Based on the amount of its spending, it is likely that

¹ 52 U.S.C. § 30109(a)(2) (emphasis added); *see also* 11 C.F.R. § 111.4(a).

² Fighters for a Strong America PAC, Statement of Org. (Jun. 13, 2022).

³ Fighters for a Strong America PAC, 2022 Pre-Runoff Election Report at 2 (Aug. 11, 2022).

⁴ *Id.* at 6 (reporting that Leadership Action contributed \$100,000 on July 25, 2022, \$287,500 on July 27, 2022, and \$232,750 on August 2, 2022).

⁵ Fighters for a Strong America PAC, Independent Expenditures, https://www.fec.gov/data/independent-expenditures/?data_type=processed&most_recent=true&committee_id=C00818054&is_notice=true (last viewed Aug. 22, 2022).

FSA PAC has received additional contributions that it has not yet been required to disclose in reports filed with the Commission.⁶

8. The chart below summarizes the activity by Leadership Action and FSA PAC:

Date	Contributions from Leadership Action Fund	Independent Expenditures by FSA PAC (total by date)
7/25/2022	\$100,000	
7/27/2022	\$287,500	\$42,007
7/28/2022		\$34,413
8/2/2022	\$232,750	\$535,661
8/10/2022		\$98,028
8/11/2022		\$65,325
8/12/2022		\$65,325
8/18/2022		\$17,415
Total	\$620,250	\$858,174

9. Leadership Action was organized in Delaware as a domestic tax-exempt corporation on June 22, 2022 — *i.e.*, nine days after FSA PAC registered with the Commission.⁷ Its registered agent is The Corporation Trust Company, and its registered agent’s address is 1209 Orange St., Wilmington, DE 19801, which is the address provided to FSA PAC in connection with the contributions made in Leadership Action’s name.⁸
10. Leadership Action has no known activity, investments, or assets from which it might make political contributions. Aside from information regarding Leadership Action’s

⁶ FSA PAC’s 24/48-hour reports provide up-to-date information regarding its independent expenditures, but its receipts, which are disclosed on its Pre-Runoff Election Report, are only current through August 3, 2022, and it has not reported any contributions received after that date.

⁷ “Leadership Action Fund, Inc.,” Entity Details, Delaware Sec’y of State, Div. of Corps. (attached as Exhibit A).

⁸ *Id.*

registration provided to the Delaware Department of State, there is no publicly available information about the entity; it does not appear to have any discernible public footprint:

- a. Searches on Google provide no results regarding the Delaware entity named “Leadership Action Fund.”⁹
- b. The Delaware entity named “Leadership Action Fund” does not appear to have a public website, or any account or page on Facebook, Instagram, or Twitter.
- c. There is no record of the Delaware entity named “Leadership Action Fund” in searches with the Better Business Bureau,¹⁰ EDGAR,¹¹ or the U.S. Patent & Trademark Office’s Trademark Electronic Search System.¹²

SUMMARY OF THE LAW

Contributions in the Name of Another

11. FECA provides that “[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution and no person shall knowingly accept a contribution made by one person in the name of another person.”¹³
12. The Commission regulation implementing the statutory prohibition provides the following examples of contributions in the name of another:
 - a. “Giving money or anything of value, all or part of which was provided to the contributor by another person (the true contributor) without disclosing the

⁹ Google.com, Search results, <https://www.google.com/search?client=safari&rls=en&q=leadership+action+fund%22+-%22advance+native%22+-%22asian+pacific%22+-%22californians+for+human+immigrant+rights%22+-%22californians+for+humane+immigrant+rights%22> (last visited Aug. 12, 2022).

¹⁰ See Better Business Bureau, Search Businesses and Charities, <https://www.bbb.org/search/> (last visited Aug. 12, 2022).

¹¹ U.S. Securities and Exchange Commission "EDGAR", Search results for “Leadership Action Fund,” <https://www.sec.gov/cgi-bin/browse-edgar?company=leadership+action+fund&match=&filenum=&State=&Country=&SIC=&myowner=exclude&action=getcompany> (last visited Aug. 12, 2022).

¹² See U.S. Patent & Trademark Office, Search Trademark Database, <https://www.uspto.gov/trademarks/search> (last visited Aug. 12, 2022).

¹³ 52 U.S.C. § 30122.

source of money or the thing of value to the recipient candidate or committee at the time the contribution is made.”

- b. “Making a contribution of money or anything of value and attributing as the source of the money or thing of value another person when in fact the contributor is the source.”¹⁴

- 13. The requirement that a contribution be made in the name of its true source promotes Congress’s objective of ensuring the complete and accurate disclosure by candidates and committees of the political contributions they receive,¹⁵ and ensures that the public and complainants are fully informed about the true sources of political contributions and expenditures. Such transparency also enables voters, including complainant Gonsalves-Brown, to have the information necessary to evaluate candidates for office, “make informed decisions[,] and give proper weight to different speakers and messages.”¹⁶
- 14. FECA and Commission regulations provide that a person who furnishes another with funds for the purpose of contributing to a candidate or committee “makes” the resulting contribution, whether funds are advanced to another person to make a contribution in that person’s name or promised as reimbursement of a solicited contribution.¹⁷ Moreover, the “key issue . . . is the source of the funds” and, therefore, the legal status of the funds

¹⁴ 11 C.F.R. § 110.4(b)(2)(i)-(ii).

¹⁵ *United States v. O’Donnell*, 608 F.3d 546, 553 (9th Cir. 2010) (“[T]he congressional purpose behind [Section 30122]—to ensure the complete and accurate disclosure of the contributors who finance federal elections—is plain.”); *Mariani v. United States*, 212 F.3d 761, 775 (3d Cir. 2000) (rejecting constitutional challenge to section 30122 in light of the compelling governmental interest in disclosure).

¹⁶ *Citizens United v. FEC*, 558 U.S. 310, 369-71 (2010).

¹⁷ *See United States v. Boender*, 649 F.3d 650, 660 (7th Cir. 2011) (holding that to determine who made a contribution “we consider the giver to be the source of the gift, not any intermediary who simply conveys the gift from the donor to the donee.”); *O’Donnell*, 608 F.3d at 550, 555; *Goland v. United States*, 903 F.2d 1247, 1251 (9th Cir. 1990) (“[FECA] prohibits the use of ‘conduits’ to circumvent . . . [reporting] restrictions.”).

when conveyed from a conduit to the ultimate recipient is “irrelevant to a determination of who ‘made’ the contribution for the purposes of [Section 30122].”¹⁸

15. On April 1, 2016, then-Chair Petersen and then-Commissioners Hunter and Goodman issued a Statement of Reasons explaining their view regarding “the appropriate standard” to apply “in future matters” raising the allegation that an LLC was used to facilitate a contribution in the name of another.¹⁹ The Commissioners explained that in their view, “the proper focus in these matters is whether the funds used to make a contribution were intentionally funneled through a closely held corporation or corporate LLC for the purpose of making a contribution that evades the Act’s reporting requirements, making the individual, not the corporation or corporate LLC, the true source of the funds.”²⁰ The relevant factors that these Commissioners indicated they would consider included:

[whether] there is evidence indicating that the corporate entity did not have income from assets, investment earnings, business revenues, or bona fide capital investments, or was created and operated for the sole purpose of making political contributions. These facts would suggest the corporate entity is a straw donor and not the true source of the contribution.²¹

16. An April 15, 2022, Statement of Reasons by Chairman Allen Dickerson, Vice Chair Steven T. Walther, and Commissioners Shana M. Broussard and Ellen L. Weintraub reiterated that the public is now on notice that FECA’s straw donor ban and Commission

¹⁸ *United States v. Whittemore*, 776 F.3d 1074, 1080 (9th Cir. 2015) (holding that defendant’s “unconditional gifts” to relatives and employees, along with the suggestion they contribute the funds to a specific political committee, violated Section 30122 because the source of the funds remained the individual who provided them to the putative contributors).

¹⁹ Statement of Reasons of Chairman Matthew S. Petersen and Commissioners Caroline C. Hunter and Lee E. Goodman at 2, MURs 6485, 6487, 6488, 6711, 6930 (Apr. 1, 2016), <https://www.fec.gov/files/legal/murs/6487/16044391129.pdf>.

²⁰ *Id.*

²¹ *Id.* at 12.

regulations implementing that provision — *i.e.*, the “conduit contribution rules” — apply when LLCs or corporate entities purport to make contributions to IEOPCs:

[T]he Commission [previously] did not agree whether, following *Citizens United* and *SpeechNow.org v. FEC*, respondent committees had received adequate notice that the Commission’s LLC reporting rules and conduit contribution rules applied to contributions made to the newly formed IEOPCs authorized by those judicial rulings. With the passage of time, IEOPCs have become a regular part of the campaign finance landscape, and adequate notice to the public now exists. Consequently, there is *no longer a lack of clarity* concerning the application of LLC reporting rules and conduit contribution rules in these circumstances.²²

Accordingly, the FEC has made clear that the public is “on notice” that the straw donor ban applies in such circumstances, and thus prohibits any person from funneling a contribution to an IEOPC through an LLC or corporate entity.

17. Straw donor contributions like those alleged here are serious violations of federal campaign finance law that have led to criminal indictments and convictions in recent years.²³ As explained in one such indictment, the straw donor ban works in tandem with other campaign finance laws to protect the integrity of our electoral system and to ensure that all candidates, campaign committees, federal regulators, and the public are informed of the true sources of money spent to influence federal elections.²⁴ Another recent

²² Statement of Reasons of Chairman Allen Dickerson, Vice Chair Steven T. Walther, Commissioner Shana M. Broussard, and Commissioner Ellen L. Weintraub at 2, MUR 7454 (Apr. 15, 2022) (emphases added).

²³ See Colin Moynihan, *Lev Parnas, Ex-Giuliani Ally, Is Convicted of Campaign Finance Charges*, N.Y. Times (Oct. 22, 2021), <https://www.nytimes.com/2021/10/22/nyregion/lev-parnas-guilty-giuliani.html>; Dep’t of Justice, *Lev Parnas and Igor Fruman Charged with Conspiring to Violate Straw and Foreign Donor Bans* (Oct. 10, 2019), <https://www.justice.gov/usao-sdny/pr/lev-parnas-and-igor-fruman-charged-conspiring-violate-straw-and-foreign-donor-bans>; Dep’t of Justice, *Entertainer/Businessman and Malaysian Financier Indicted for Conspiring to Make and Conceal Foreign and Conduit Contributions During 2012 U.S. Presidential Election* (May 10, 2019), <https://www.justice.gov/opa/pr/entertainerbusinessman-and-malaysian-financier-indicted-conspiring-make-and-conceal-foreign>.

²⁴ Grand Jury Indictment, *United States v. Lev Parnas, et al.*, Cr. No. 19-725 (S.D.N.Y. Oct. 10, 2019), <https://www.justice.gov/usao-sdny/press-release/file/1208281/download>.

indictment highlighted how straw donor schemes have been used to skirt FECA's source prohibitions, such as the ban on contributions by government contractors.²⁵

18. Even for contributions that would otherwise be legal — *i.e.*, contributions that would not be prohibited or excessive, if made in the true contributor's own name — the prohibition of contributions in the name of another serves FECA's core transparency purposes by ensuring that voters have access to complete and accurate information regarding the sources of electoral contributions.

CAUSE OF ACTION

COUNT I:

LEADERSHIP ACTION FUND, INC., FIGHTERS FOR A STRONG AMERICA PAC, AND THE UNKNOWN PERSON(S) WHO CONTRIBUTED TO FIGHTERS FOR A STRONG AMERICA PAC IN THE NAME OF LEADERSHIP ACTION FUND, INC. VIOLATED 52 U.S.C. § 30122

19. The available information supports finding reason to believe that Leadership Action was not the true source of the \$620,250 contributed in its name to FSA PAC, and that Leadership Action served merely as a straw donor for these contributions, transmitting the funds of the true contributors and thus concealing their identities — a contribution scheme that FECA explicitly prohibits.
20. Leadership Action was formed on June 22, 2022, roughly one month before three contributions totaling over \$620,000 were reportedly made in its name. Leadership Action has no documented activities or verifiable presence from either before or after the contribution: it has no website, social media account, or substantive online presence, and

²⁵ Dep't of Justice, *Former Government Contractor Executives Indicted for Unlawful Campaign Contributions* (Feb. 10, 2022), <https://www.justice.gov/opa/pr/former-government-contractor-executives-indicted-unlawful-campaign-contributions>.

appears in none of the relevant databases.²⁶ The only address it has provided is that of its corporate registered agent.²⁷

21. This lack of any apparent activity or presence indicates that Leadership Action neither conducted any real activities, nor had sufficient income from assets, investments, or revenues from which it could have made \$620,250 in contributions to an IEOPC, unless an outside source provided sufficient funds for it to make the contributions at issue.
22. It is implausible that a newly formed, month-old corporation could have contributed such a large amount so soon after being formed, absent an infusion of funds provided to it for that specific purpose. Indeed, because FSA PAC has made independent expenditures well above \$620,250, and Leadership Action is the committee's only reported contributor, it is likely that Leadership Action's name may have been used to make substantial additional contributions that FSA PAC has yet to report.²⁸
23. Viewed as a whole, therefore, the available information supports finding reason to believe that unknown persons funneled at least \$620,250 in contributions through Leadership Action to FSA PAC, such that Leadership Action was merely a straw donor and not the true contributor.
24. Accordingly, there is reason to believe that the unknown person(s) who contributed through Leadership Action violated 52 U.S.C. § 30122 by making contributions in the name of another, and that Leadership Action violated 52 U.S.C. § 30122 when it knowingly permitted its name to be used to effect the contributions of unknown persons in its name.

²⁶ See *supra* notes 9-12 and related text.

²⁷ See *supra* note 7 and related text.

²⁸ See *supra* notes 3, 6 and related text.

25. Moreover, there is reason to believe FSA PAC knew Leadership Action was not the true contributor when it accepted those contributions. Leadership Action, which was formed just nine days after FSA PAC registered with the Commission, is FSA PAC's *only* reported contributor. Further, FSA PAC did not have any activity — neither receipts nor disbursements — before it began receiving the contributions made in Leadership Action's name, and the committee began making independent expenditures almost immediately upon receiving those contributions: FSA PAC made its first independent expenditures on July 27, 2022, two days after it received the first \$100,000 contribution and the same day that it received a second, larger contribution — \$287,500 — all from Leadership Action.²⁹
26. In total, FSA PAC has made over \$850,000 in independent expenditures, most if not all of which appear to have been paid for with funds contributed to the committee in Leadership Action's name.
27. These facts support finding reason to believe that FSA PAC knew that other unknown persons were the true source of the contributions made in Leadership Action's name — *i.e.*, that FSA PAC knew that Leadership Action was not, in fact, the true contributor — such that FSA PAC violated 52 U.S.C. § 30122 by knowingly accepting contributions in the name of another.

²⁹ See *supra* notes 3, 5 and related text.

PRAYER FOR RELIEF

28. Wherefore, the Commission should find reason to believe that Leadership Action, any person(s) who created, operated, and made contributions to or in the name of Leadership Action, and FSA PAC have violated 52 U.S.C. § 30101 *et seq.*, and conduct an immediate investigation under 52 U.S.C. § 30109(a)(2).
29. Further, the Commission should seek appropriate sanctions for any and all violations, including civil penalties sufficient to deter future violations, injunctive relief to remedy these violations and prohibit any and all future violations, and such additional remedies as are necessary and appropriate to ensure compliance with FECA.

Respectfully submitted,

/s/ Saurav Ghosh
Campaign Legal Center, by
Saurav Ghosh, Esq.
1101 14th Street NW, Suite 400
Washington, DC 20005
(202) 736-2200

/s/ Roger G. Wieand
Roger G. Wieand
1101 14th Street NW, Suite 400
Washington, DC 20005
(202) 736-2200


Saurav Ghosh, Esq.
Campaign Legal Center
1101 14th Street NW, Suite 400
Washington, DC 20005
Counsel to the Campaign Legal Center,
Roger Wieand
August 24, 2022

VERIFICATION

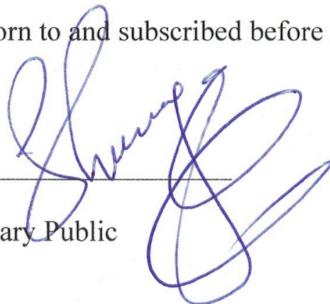
The complainants listed below hereby verify that the statements made in the attached Complaint are, upon their information and belief, true.

Sworn pursuant to 18 U.S.C. § 1001.

For Complainant Roger G. Wieand


Roger G. Wieand

Sworn to and subscribed before me this 24 day of August 2022.


Notary Public

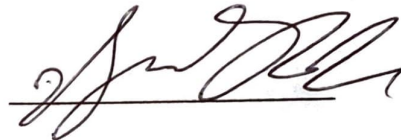


VERIFICATION

The complainants listed below hereby verify that the statements made in the attached Complaint are, upon their information and belief, true.

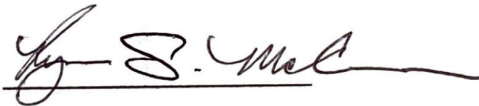
Sworn pursuant to 18 U.S.C. § 1001.

For Complainant Campaign Legal Center



Saurav Ghosh, Esq.

Sworn to and subscribed before me this 24 day of August 2022.



Notary Public

City/County of FAIRFAX
Commonwealth of Virginia
The foregoing instrument was acknowledged before me
this 22 day of AUGUST, 2024
by SAURAV GHOSH
[Signature] Notary Public
My commission expires 09/30/2024



EXHIBIT A

Department of State: Division of Corporations

[Allowable Characters](#)

HOME

Entity Details

THIS IS NOT A STATEMENT OF GOOD STANDING

[File Number:](#) **6872327** [Incorporation Date / Formation Date:](#) **6/22/2022**
(mm/dd/yyyy)

[Entity Name:](#) **LEADERSHIP ACTION FUND, INC.**

[Entity Kind:](#) **Corporation** [Entity Type:](#) **Exempt**

[Residency:](#) **Domestic** State: **DELAWARE**

[REGISTERED AGENT INFORMATION](#)

Name: **THE CORPORATION TRUST COMPANY**

Address: **CORPORATION TRUST CENTER 1209 ORANGE ST**

City: **WILMINGTON** County: **New Castle**

State: **DE** Postal Code: **19801**

Phone: **302-658-7581**

Additional Information is available for a fee. You can retrieve Status for a fee of \$10.00 or more detailed information including current franchise tax assessment, current filing history and more for a fee of \$20.00.

Would you like ☐ Status ☐ Status, Tax & History Information

For help on a particular field click on the Field Tag to take you to the help area.

[site map](#) | [privacy](#) | [about this site](#) | [contact us](#) | [translate](#) | [delaware.gov](#)