

**BEFORE THE
FEDERAL ELECTION COMMISSION**

Campaign Legal Center
1640 Rhode Island Ave. NW, Suite 650
Washington, DC 20036
202-736-2200

v.

Jerry Falwell Ministries, Inc.,
Executive Mansion
1971 University Blvd.
Lynchburg, VA 24502
804-582-7711

and

The Liberty Alliance, Inc.
3906-B Wards Road
Lynchburg, Virginia 24502-2942

COMPLAINT

1. This complaint alleges violations of the federal campaign finance laws by Jerry Falwell Ministries, Inc., and Liberty Alliance, Inc., (hereafter “Corporate Respondents”), non-profit corporations incorporated in the District of Columbia.¹ These violations include: 1) Corporate Respondent’s endorsement of a federal candidate (*i.e.*, George W. Bush) beyond the restricted class and to the general public; 2) the solicitation of funds from the general public by these Corporate Respondents to the Campaign for Working

¹ See Exhibit 1, documents demonstrating that Jerry Falwell Ministries, Inc., and Liberty Alliance Inc. are nonprofit corporations incorporated in Washington, D.C. Jerry Falwell Ministries, Inc., is a 501c (3) corporation, and Liberty Alliance, Inc., is a 501c (4) corporation.

Families (“CWF”), a federal political action committee (PAC)²; and 3) the solicitation of funds by Corporate Respondents without any of the required disclaimers.

I. The Endorsement Of Federal Candidate George W. Bush By Corporate Respondents Plainly Violates Campaign Finance Laws

2. A corporation may lawfully endorse a federal candidate and may communicate the endorsement in a publication limited to its executive and administrative personnel and their families, and to its stockholders and their families. *See* 11 C.F.R. § 114.4(c)(6).

However, a corporation cannot endorse a federal candidate to the general public, except by means of a public announcement that an endorsement has been made and the reasons for it through a press release or press conference distributed only to the organization’s usual media contacts. *See Id.* at § 114(c)(6)(i).

3. On or about July 1, 2004, Corporate Respondents placed the following material on their website (a copy of which is attached as Exhibit 2), in the form of a communication by Corporate Respondent’s spokesperson Jerry Falwell, labeled “Falwell confidential”.³ This information, which is accessible by and available to members of the

² According to its website, CWF “is a non-partisan political action committee (PAC) dedicated to electing pro-family, pro-life and pro-free enterprise candidates to federal and state offices.” See <http://www.cwfpac.com/>.

³ See www.falwell.com. To access the bulletin from the website’s home page, scroll down to the place where Mr. Falwell is pictured in a section entitled “Falwell Confidential”. Click on the word “More...” that appears at the bottom right of this section on the home page. Once you have clicked “More...”, a page appears that is the latest bulletin and email message that has been sent by Corporate Respondents. Scroll to the very bottom of this latest communication and you will see the words “Falwell Confidential Archives”. Click on “Falwell Confidential Archives”, which will then post a listing of the available months for previous communications by Corporate Respondents. On this list, click on “July 2004”. What appears on the screen next is a listing of several communications distributed during that month. Click on the one entitled: “GARY BAUER ON THE POLITICAL FRONTLINES (1 Jul 2004 15:14:30) [Steve Peterson](#).” This then brings you to the communication that is the subject of this complaint.

general public, remains on the Corporate Respondent's website as of this date:

For conservative people of faith, voting for principle this year means voting for the reelection of George W. Bush. The alternative, in my mind, is simply unthinkable.

To the pro-life, pro-family, pro-traditional marriage, pro-America voters in this nation, we must determine that President Bush is the man with our interests at heart. It is that simple.

The distressing fact regarding this election is, however, that President Bush stands at a political crossroads, with John Kerry ostensibly running neck-and-neck with him in many polls. In addition, Mr. Kerry has raised an astounding \$150 million for his campaign.

So the vote of every conservative is imperative. However, simply voting may not be enough. I believe it is the responsibility of every political conservative, every evangelical Christian, every pro-life Catholic, every traditional Jew, every Reagan Democrat, and everyone in between to get serious about re-electing President Bush.

That is why I am utilizing this column to urge you to support the Campaign for Working Families, which is headed by Gary Bauer. It is the organization that I believe can have the greatest impact in re-electing Mr. Bush to the Oval Office.

4. In addition to posting this communication to the general public on their website, Corporate Respondents sent the same express advocacy material endorsing federal candidate George W. Bush via email⁴ to members of the public who had signed up to receive regular communications from the Corporate Respondents.⁵ There is no indication that the Corporate Respondents have "members" (see 11 C.F.R. §100.134(e)-(f) (definition of definition of membership organization and members)), or that recipients

⁴ A copy of a news article referencing the sending of this bulletin via email is attached as Exhibit 3.

⁵ There is a place on the Corporate Respondent's website where members of the public can receive without charge this bulletin each week via email. By clicking on "Falwell Confidential" in the upper left section of home page, a member of the public can enter an email address and each week receive an email bulletin from Corporate Respondents.

of this endorsement are “members” of Corporate Respondents, inasmuch as members of the general public can sign up on the website to receive this communication.

5. The communication to the general public by Corporate Respondents urging the re-election of federal candidate George W. Bush, was not limited to the restricted class as required by law. See 11 CFR §114.3, *et seq.* Moreover, the posting of the endorsement of the re-election of George Bush on the website of Corporate Respondents was not limited in distribution to representatives of the news media that the corporation customarily contacts when making press announcements. See 11 CFR 114.4(c)(6). Consequently, Corporate Respondents violated federal campaign finance laws in endorsing the re-election of George W. Bush and communicating that endorsement to the general public.

II. The Solicitation Of Funds By Corporate Respondents On Behalf Of The Campaign For Working Families, A Federal PAC, Is A Clear Violation Of Campaign Finance Laws.

6. Corporate Respondents’ communication via email and the bulletin posted on their website solicited contributions to the Campaign for Working Families, a federal PAC. (The CWF’s FEC Identification number is C00325076). Indeed, Corporate Respondent’s website provides a link to the webpage where members of the public can make donations to CWF. A copy of this solicitation, printed out off the website of Corporate Respondents, is attached hereto. The solicitation of funds in the posted bulletin states:

I am urging everyone reading this column today to take a moment to send a financial gift to the Campaign for Working Families in order to help in the crucial election of President Bush and conservative political leaders across this nation.

I honestly believe that it is essential that we flood Campaign for Working Families with financial help in order to secure our future. This organization that is on the frontlines on our behalf can accept contributions up to \$5,000 per person, but even small gifts are important and quickly add up when we join together.

Please, right now, pick up your phone and call 703-671-8800 or visit the Campaign for Working Families website (https://www.cwfpac.com/cwf_contribution.htm) to make a generous donation by credit card. In addition, may we pray fervently each day for the re-election of George W. Bush at this critical time in our nation's history.

7. Corporate Respondents, by posting this bulletin on its website and emailing a solicitation to members of the general public, is soliciting contributions from the general public to a federal PAC, the Campaign for Working Families, which is a clear violation of the law.

III. The Communication By Corporate Respondents Failed To Include Any Disclaimers

8. In addition to this solicitation for a contribution to a federal PAC being impermissibly posted on their publicly accessible website by Corporate Respondents and sent by email to members of the public, the solicitation failed to include any disclaimers whatsoever. See 11 CFR §110.11. The communication is clearly a solicitation of contributions from the general public to a federal PAC, and requires such disclaimers the Campaign for Working Families--a clear violation of the law.⁶

Prayer for Relief

Wherefore, the Commission should conduct an immediate investigation under 2 U.S.C. §437g, and should: 1) determine that the Corporate Respondents have violated and continues to violate 2 U.S.C. §§ 441b(b)(2)(A), 441b(b)(4)(A)(i), and 441d, as well

⁶ On or about July 21, 2004, Corporate Respondents issued another bulleting posted on their website and emailed to their subscribers. This bulletin-email is attached hereto as Exhibit 4. In this bulletin-email, Corporate Respondents confirm their corporate status.

as the implementing regulations promulgated by the Federal Election Commission and referenced herein; 2) impose appropriate sanctions for such violations; 3) enjoin Corporate Respondents from all such violations in the future; and 4) impose such additional remedies as are necessary and appropriate to ensure compliance with FECA and BCRA.

Respectfully submitted,

The Campaign Legal Center,

J. Gerald Hebert
1640 Rhode Island Ave. NW
Suite 650
Washington, DC 20036
202-736-2200

Sworn to and subscribed before me this ____ day of July, 2004

Notary Public

J. Gerald Hebert