



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

Joseph E. Sandler, Esq.
Neil Reiff, Esq.
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50 E Street, SE
Suite 300
Washington, DC 20003

AUG - 9 2006

RE: MUR 5754
MoveOn.org Voter Fund

Dear Messrs. Sandler and Reiff:

On April 7, 2004, the Federal Election Commission (the "Commission") notified your clients of a complaint alleging that they violated the Federal Election Campaign Act of 1971, as amended (the "Act"), and provided your clients with a copy of the complaint.

After reviewing the allegations contained in the complaint, your clients' response, and publicly available information, the Commission on September 28, 2004, found reason to believe that MoveOn.org Voter fund, MoveOn PAC, and Wesley Boyd, as Treasurer, violated 2 U.S.C. §§ 434, 441a(f), 441b(a) and 11 C.F.R. §§102.5, 104.10, 106.1 and 106.6, provisions of the Act and its implementing regulations. A copy of the Factual and Legal Analysis that sets forth the basis for the Commission's determination was provided at that time.

Having conducted an investigation, the Commission has made additional findings as to MoveOn.org Voter Fund. Specifically, based upon evidence obtained during the investigation, as well as representations made by your clients, the Commission, on July 19, 2006, found reason to believe that MoveOn.org Voter Fund violated 2 U.S.C. §§ 433, 434, and 441a(f), provisions of the Act, by failing to register as a political committee with the Commission; by failing to report its contributions and expenditures; and by knowingly accepting contributions in excess of \$5,000. Enclosed is the Factual and Legal Analysis that sets forth the basis for the Commission's determination.

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In the meantime, this matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. We look forward to your response.

Sincerely,



Michael E. Toner
Chairman

Enclosures
Factual and Legal Analysis

cc: candidate

1 **FEDERAL ELECTION COMMISSION**
2 **FACTUAL AND LEGAL ANALYSIS**

3
4 **RESPONDENT: MoveOn.Org Voter Fund**

MUR 5754

5
6 **I. INTRODUCTION**
7

8 This matter was generated by a complaint filed with the Federal Election Commission
9 (“the Commission”). See 2 U.S.C. § 437g(a)(1). The complaint alleges that MoveOn.org Voter
10 Fund (“MOVF”) is violating federal campaign finance laws by spending millions of dollars,
11 raised outside the limitations and prohibitions of the Federal Election Campaign Act of 1971,
12 amended (“the Act”), to influence the upcoming presidential election. The Commission
13 previously found reason to believe that MOVF and MoveOn PAC, an associated federal political
14 committee, violated 2 U.S.C. §§ 434, 441a(f), 441b(a) and 11 C.F.R. §§ 102.5, 104.10, 106.1 and
15 106.6 by failing to properly deposit and report federal contributions and by failing to properly
16 allocate various expenses required to be paid with federal funds.
17

18 The evidence obtained during the investigation shows that MoveOn.org formed MOVF in
19 the Fall of 2003 as a 527 organization to run television advertisements in battleground states
20 before the 2004 General Election. MOVF spent over \$21 million between September 2003 and
21 November 2004, over \$14.6 million of which was for television and newspaper advertisements
22 in battleground states that attacked George W. Bush. MOVF appears to have spent the
23 remaining \$6.4 million on fundraising expenses, administrative expenses, and \$724,000 in grants
24 to other political organizations. According to MOVF’s discovery responses, it made no other
25 disbursements, and it engaged in no state or local campaign activity. Moreover, MOVF’s
26 fundraising solicitations clearly indicated that the funds received would be used to finance

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1 advertisements opposing Bush in “key battleground states” to reduce support for his reelection.
2 These fundraising solicitations, as well as deposition testimony and MOVF’s spending, make
3 abundantly clear that MOVF’s sole purpose was to defeat George Bush. Indeed, it has not
4 undertaken any activity since the 2004 General Election.

5 Based on these facts, and the unequivocal statements by MOVF during the investigation
6 that it is a separate organization and not the nonfederal account of the PAC, there is reason to
7 believe MoveOn.org Voter Fund violated 2 U.S.C. §§ 433, 434, and 441a(f), by failing to
8 register as a political committee with the Commission, by failing to disclose its contributions and
9 expenditures, and by knowingly accepting contributions in amounts exceeding \$5,000 from
10 individuals.

11 **II. FACTUAL AND LEGAL ANALYSIS**

12 **A. FACTS**

13 The MoveOn.org family of organizations includes: (1) MoveOn.org, an entity organized
14 under Section 501(c)(4) of the Internal Revenue Code¹; (2) MoveOn PAC, a political committee
15 registered with the Commission; and (3) MoveOn.org Voter Fund (“MOVF”), an entity
16 organized under Section 527 of the Internal Revenue Code. The MoveOn.org organizations are
17 each governed by their own board of directors, though there is an overlapping group of officers
18 who oversee the organizations’ operations,² and employees work or have worked for all three
19 organizations. Nevertheless, MOVF maintains that it is legally and functionally separate from
20
21

¹ MoveOn.org formed in 1998 as an Internet-based organization calling for the censure of President Clinton as an alternative to impeachment.

² Wes Boyd, founder of MoveOn.org, was president of MoveOn.org, MOVF, and MoveOn PAC, treasurer of MoveOn PAC, and was a director of all three organizations during the relevant time period. Peter Schurman, Joan Blades, and Carrie Olson also held high-ranking positions in at least two of the three organizations during the 2004 election cycle.

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1 the other MoveOn entities. Elijah Pariser, Executive Director of MoveOn
2 PAC and MoveOn.org, explained that “[p]eople aren’t hired as employees of the MoveOn
3 family. They are hired by particular entities.” He also stated that employees received separate
4 paychecks based on which MoveOn entity they worked for at a particular time:

5 The way this worked, I kept track of my time in 15-minute increments and
6 each 15-minute increment I would label precisely in terms of a project that
7 I was working for. And I would – so then we would basically add them
8 up. So if I had done any work for MoveOn PAC, to make sure that it
9 wasn’t subsidized by the (c)(4), I would be paid for that amount of work
10 by that PAC, even if it was a very small amount of work.

11
12 In this vein, Mr. Pariser received W-2 forms for income tax purposes from all three of the
13 MoveOn entities. With respect to consultants used by at least two of the three entities, “[t]he
14 expenses aren’t shared. The consultant bills each organization separately for the work done for
15 that organization.” Finally, the MoveOn entities “don’t share employees in the sense that each
16 employee is independently paid for and has a separate relationship with an entity, and they also
17 don’t share in the other resources in the sense that any – every resource is allocated to the
18 entity’s use of it.”

19 MOVF began active operation in September 2003. Between November 2003 and
20 November 2004, MOVF spent approximately \$14.6 million to produce and broadcast 25
21 television ads in Pennsylvania, Florida, Maine, West Virginia, Minnesota, Iowa, Ohio, Colorado,
22 Oregon, Nevada, Michigan, Missouri, Wisconsin, and on CNN. The MOVF ads criticized
23 President Bush for his policies related to various campaign issues, including the war in Iraq, the
24 impact of the economy on working families, job outsourcing, the budget deficit, and education.
25 For example, an ad entitled “Child’s Pay” broadcast in Florida, Maine, Minnesota, and Nevada,
26 contains images of children performing labor-intensive jobs: washing dishes in a restaurant

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1 kitchen, vacuuming a hotel hallway, working on an assembly line in a factory, collecting
2 garbage, working at an auto repair shop, and checking groceries. The screen then fades to black
3 with the words: "Guess who's going to pay off President Bush's \$1 trillion deficit?" MOVF 20,
4 21. In another ad, entitled, "70 Billion More," which was broadcast on CNN, images are shown
5 of a young boy sitting at a school desk and a young girl with a thermometer in her mouth. The
6 voice-over states that thousands of new schools could be built and millions of new teachers could
7 be hired with the money President Bush has spent and will spend in Iraq. The ad closes with
8 "Face it. George Bush is not on our side." MOVF 14.

9 MOVF broadcast its last advertisement on November 2, 2004 and completely ceased
10 operations less than two months later, though it continues to file reports with the IRS. In its IRS
11 filings, MOVF reported \$12,558,215 in receipts and \$21,346,380 in disbursements for
12 September 18, 2003 through December 31, 2004, covering the entire period of its active
13 operations.³

14 During the fourteen months of its active operations, it appears that MOVF gave support
15 to and received support from other 527 organizations. For example, MOVF gave \$724,000 in
16 monetary grants to various political organizations, including \$50,000 to America Votes, a 527
17 organization that served as an umbrella organization or clearinghouse for a coalition of almost
18 thirty national organizations that collaborated to mobilize voters in the 2004 elections. MOVF
19 also gave \$210,000 in start-up grants to Click Back America, a 527 organization formed to
20 register and turn out young voters in the 2004 General Election. According to Click Back

³ Counsel for MOVF advises that a reason for the large discrepancy between receipts and disbursements reported in its IRS filings is that MOVF received a large number of small donations that did not exceed the IRS' \$200 itemization threshold, and the IRS does not require the disclosure of unitemized receipts. According to MOVF, the median contribution amount was \$60. Counsel for MOVF represented to staff that MOVF has approximately \$100,000 cash-on-hand and no significant debts outstanding.

1 America's website, Click Back America donated \$1 to MOVF for every contribution it
2 received.⁴ MOVF also paid to broadcast certain advertisements that were produced at the
3 expense of The Media Fund, a 527 organization that broadcast advertisements before the 2004
4 General Election opposing George W. Bush and supporting John Kerry.

5 MOVF states that it reported in-kind contributions for these
6 advertisements to the IRS, and its IRS reports show \$30,000 in contributions

7 Finally, with respect to fundraising activity, in September 2004, MOVF
8 solicited its supporters for contributions to 527 organization, to fund an ad
9 campaign before the 2004 General Election that criticized George Bush's service in the National
10 Guard in 1972. MOVF also solicited its supporters to buy tickets for a fundraising event MOVF
11 co-sponsored at the Apollo Theatre in New York City for

12 a 527 organization that conducted get-out-the-vote activity before the 2004 General
13 Election.

14 **B. ANALYSIS**

15 If MOVF is not the nonfederal account to MoveOn PAC but instead a separate and
16 independent entity, as MOVF maintains, then MOVF should have registered as a political
17 committee, filed disclosure reports and adhered to the Act's contribution limits. *See* 2 U.S.C.
18 §§ 431(4)(A), 433, 434, and 441a. The Act defines a "political committee" as any committee,
19 club, association, or other group of persons that receives "contributions" or makes
20 "expenditures" for the purpose of influencing a federal election which aggregate in excess of
21 \$1,000 during a calendar year. *See* 2 U.S.C. § 431(4)(A). For the purpose of triggering political
22 committee status, the Act defines the terms "contributions" and "expenditures" as including

⁴ *See* <http://www.clickbackamerica.org/default.php> (last visited 4/12/06)

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1 “anything of value made by any person for the purpose of influencing any election for Federal
2 office.” *See* 2 U.S.C. §§ 431(8)(A)(i), (9)(A)(i).

3 MOVF exceeded the statutory threshold for political committee status by receiving
4 “contributions” exceeding \$1,000 in response to fundraising solicitations clearly indicating that
5 funds received would be used to help influence the defeat of a specific candidate in the 2004
6 presidential election, and has the major purpose of engaging in federal campaign activity. As a
7 result of these contributions, MOVF appears to have violated the Act by failing to register and
8 report as a political committee and by failing to comply with the Act’s contribution limits.

9 1. **MOVF Exceeded the Statutory Threshold for Contributions by**
10 **Receiving Over \$1,000 in Response to Solicitations Clearly Indicating**
11 **That Contributions Would Be Targeted to the Election or Defeat of a**
12 **Clearly Identified Candidate for Federal Office**

13 Money received in response to fundraising solicitations clearly indicating that the
14 funds being sought would be targeted to the election or defeat of specific federal candidates
15 constitute contributions under the Act. 2 U.S.C. § 431(8)(A); *FEC v. Survival Education*
16 *Fund, Inc.*, 65 F.3d 285, 295 (2d Cir. 1995) (“*Survival Education Fund*”).
17

18 In *Survival Education Fund*, the court considered whether proceeds received in
19 response to a fundraising solicitation mailed to the general public by two 501(c)(4)
20 organizations during the 1984 Presidential race constituted “contributions” under the Act.

21 The cover letter to the solicitation included this language:

22 Funds are urgently needed to help defray the enormous cost of
23 mounting, organizing, publicizing, and coordinating this nationwide
24 effort. . . .

25 Your special election-year contribution will help us communicate your
26 views to the hundreds of thousands of members of the voting public,

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1 letting them know why Ronald Reagan and his anti-people policies
2 must be stopped. So, please, return your survey and your check
3 immediately. Anything you can give at this time -- \$50, \$100, \$250,
4 \$500, \$1,000, \$2,500 or more -- will help us reach more people, and
5 increase the effectiveness of our election-year work.

6 *Id.* at 288-89. The Second Circuit considered whether the solicitation sought “contributions” and
7 was subject to the Act’s disclaimer requirements under 2 U.S.C. § 441d(a). Stating that it was
8 unnecessary to consider whether the mailer constituted express advocacy, the court analyzed
9 whether the mailer solicited “contributions” based on *Buckley*’s statement that contributions
10 made to other organizations but earmarked for political purposes were contributions made “for
11 the purpose of influencing elections” and, thus, were properly covered by the Act. *See id.* at 294
12 (*quoting Buckley v. Valeo*, 424 U.S. 1, 78 (1976)). The court interpreted the phrase “earmarked
13 for political purposes,” stating,

14 The only contributions “earmarked for political purposes” with
15 which the *Buckley* Court appears to have been concerned are those
16 that will be converted to expenditures subject to regulation under
17 FECA. Thus *Buckley*’s definition of independent expenditures that
18 are properly within the purview of FECA provides a limiting
19 principle for the definition of contributions in § 431(8)(A)(i), as
20 applied to groups acting independently of any candidate or its
21 agent and which are not “political committees” under FECA. . . .
22 Accordingly, disclosure is only required under § 441d(a)(3) for
23 solicitations of contributions that are earmarked for activities or
24 “communications that expressly advocate the election or defeat of
25 a clearly identified candidate for federal office.” *Even if a*
26 *communication does not itself constitute express advocacy, it may*
27 *still fall within the reach of § 441d(a) if it contains solicitations*
28 *clearly indicating that the contributions will be targeted to the*
29 *election or defeat of a clearly identified candidate for federal*
30 *office. . . . Only if the solicitation makes plain that the*
31 contributions will be used to advocate the defeat or success of a
32 clearly identified candidate at the polls are they obliged to disclose
33 that the solicitation was authorized by a candidate or his
34 committee.

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1 *Id.* at 295 (emphasis added). Based on this reasoning, the court held that the mailer was a
2 solicitation of contributions within the meaning of § 441d, citing the mailer’s statement, “Your
3 special election-year contribution will help us communicate your views to the hundreds of
4 thousands of members of the voting public, letting them know why Ronald Reagan and his
5 anti-people policies must be stopped.” *Id.* According to the court, this statement “leaves no
6 doubt that the funds contributed would be used to advocate Reagan’s defeat at the polls, not
7 simply to criticize his policies during the election year.” *Id.*

8 Like the solicitation in *Survival Education Fund*, the language used in fundraising
9 solicitations sent on behalf of MOVF in 2003-2004 clearly indicated that the funds received
10 would be targeted to the defeat of a specific federal candidate. These solicitations were sent
11 mostly by email communication, though the solicitation that appeared on MOVF’s website as
12 well as a solicitation sent by blast facsimile also clearly indicated that the funds received would
13 be targeted to the defeat of a specific federal candidate.⁵ Examples of fundraising messages
14 include:

- 15 • The three main themes on which MoveOn intended to focus
16 were: “(1) President Bush’s Actions Can’t Be Trusted;” “(2)
17 Bush’s Actions Reflect a Lack of Concern for Working
18 Families;” and “(3) Bush’s Actions and Record Show a Lack of
19 Competence to Solve Our Nation’s Problems.” “If we pull this
20 off, we won’t just change the shape of this election – we may
21 well change the way politics works.”
- 22 • “In their first ad for the 2004 election, [the GOP] implicitly
23 accuse Democratic presidential candidates of ‘attacking the
24 president for attacking terrorists.’ The ad doesn’t question
25 opponents’ ideas, it questions their commitment to America.

⁵ Email solicitations were composed by MOVF, sent by “the MoveOn.org Team” on behalf of MOVF, included a hyperlink to the MOVF website contribution page, and all costs for these solicitations were paid for by MOVF

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1 But there is nothing more un-American than attacking an
2 adversary's patriotism for political gain."

3 "We won't let the Bush campaign get away with these kinds of
4 attacks. And in the end, we'll take our country back."

5 "Can you help? With the Soros/Lewis match, a contribution of
6 \$50 will actually bring in \$75. Multiply that by thousands of
7 us, and we'll easily bring in enough money to take the
8 Republicans on."

9 ● "Weeks of on-the-ground testing have shown that our '\$87
10 Billion' TV ad successfully gets the truth out about President
11 Bush and his policies. Our tests showed that an impressive 4%
12 of viewers changed their positions to disfavor Bush after seeing
13 the ad. Even experts who have been in this field for years were
14 blown away."

15
16 "So today, we're launching our first really big MoveOn.org
17 Voter Fund ad buy. We're putting the '\$87 Billion' ad to work
18 in several key swing states – putting up close to two million
19 dollars to make sure that every TV viewer in these states sees
20 the ad multiple times."

21 ● "On Tuesday, we sent out a survey asking you and other
22 MoveOn contributors if you would support a multi-million
23 dollar advertising campaign to expose the failure of President
24 Bush's policies in key "battleground" states. The response was
25 overwhelming: 98% of the people who responded urge us to
26 take it up. Clearly, this is work that needs to be done."

27 "Please do what you can. If we can pull this off together, the
28 political establishment may never be the same."

29 ● "Over the next months, we're going to raise an unprecedented
30 \$10 million for the production and placement of ads that take
31 the truth about the Bush administration directly to the
32 American people in key battleground states."

33 "Every dollar that you donate today will be matched one-for-
34 one – it's great bang for your buck. The sooner this money
35 starts coming in, the sooner we can get those ads running – if
36 we raise \$300,000 today, we can start running the ads in less
37 than two weeks. Please help however you can – be it \$25 or
38 \$2500."

- “Every cent of your ticket will go towards our \$10 million MoveOn.org Voter Fund advertising campaign that’s getting out the word about President Bush’s bad policies.”

“The Voter Fund will create and run powerful political ads in swing states to challenge President Bush’s policies and his administration.”

These solicitations clearly indicate that the funds received will be used to defeat George Bush in the 2004 general election, through an ad campaign in "key battleground states" or "swing states." Further, specific fundraising solicitations explained exactly how the activities that MOVF sought to fund would cause undecided voters in “key battleground states” to oppose Bush in the 2004 presidential election. As a result, all funds received in response to these solicitations, which were deposited into MOVF’s account and used to pay for MOVF’s ad campaign, constituted contributions received by MOVF.

Available information indicates that MOVF received its first \$1,000 in contributions in November 2003, at the latest. MOVF provided a chart that indicates the amount of funds received in response to specific solicitations. According to the chart, MOVF received \$846,040 in response to an e-mail solicitation sent to prospective donors on November 21, 2003, the relevant text of which appears on page 9, first bullet point. Accordingly, MOVF received contributions in excess of \$1,000, which triggered the \$1,000 threshold for political committee status.

2. The Major Purpose of MOVF was Federal Campaign Activity

The Supreme Court has held that “[t]o fulfill the purposes of the Act” and avoid “reach[ing] groups engaged purely in issue discussion,” only organizations whose major purpose is campaign activity can be considered political committees under the Act. *See, e.g., Buckley,*

1 424 U.S. at 79; *FEC v. Massachusetts Citizens for Life*, 479 U.S. 238, 262 (1986) (“*MCFL*”). It
2 is well-settled that an organization can satisfy *Buckley*’s “major purpose” test through sufficient
3 spending on campaign activity. *MCFL*, 479 U.S. at 262-264 (political committee status would
4 be conferred on *MCFL* if its independent spending were to become so extensive that the group’s
5 major purpose may be regarded as campaign activity); *see also Richey v. Tyson*, 120 F. Supp. 2d
6 1298, 1310, n.11 (S.D. Ala. 2002) (“As a threshold matter, the plaintiffs inaccurately describe
7 the activity to which the major purpose inquiry relates. The plaintiffs describe the relevant major
8 purpose as one to ‘expressly advocate’ a particular election result, while the Supreme Court has
9 described the relevant major purpose (under FECA) as ‘the nomination or election of a
10 candidate,’ or simply ‘campaign activity,’ terms that comfortably reach beyond explicit
11 directions to vote a particular way.”)

12 An organization’s “major purpose” may also be established through public statements of
13 purpose. *See, e.g., FEC v. Malenick*, 310 F. Supp. 2d 230, 234-36 (D.D.C. 2004) (court found
14 organization evidenced its “major purpose” through its own materials which stated the
15 organization’s goal of supporting the election of Republican Party candidates for federal office
16 and through efforts to get prospective donors to consider supporting federal candidates); *FEC v.*
17 *GOPAC, Inc.*, 917 F. Supp. 851, 859 (D.D.C. 1996) (“organization’s [major] purpose may be
18 evidenced by its public statements of its purpose or by other means. . .”).

19 MOVF’s statements and activities demonstrate that its major purpose was to defeat
20 George W. Bush.⁶ MOVF’s fundraising solicitations clearly indicate that the sole objective of

⁶ In its filings with the Internal Revenue Service (“IRS”), MOVF asserted that its purpose is “[t]o educate voters on the positions, records, views, and qualifications of candidates for public office and to stimulate interest in voting.”

1 the organization was to defeat George Bush. For example, in a detailed e-mail solicitation sent
2 to potential donors in November 2003, MOVF explained:

3 Our objective is to challenge George Bush's policies and record in
4 order to reduce support for his re-election in 2004. We will
5 concentrate our resources in several states critical to his re-
6 election. In those states, we will reduce his support among swing
7 voters through an empirically driven advertising campaign.
8

9 In the same solicitation, under the heading of "Tactics":

10 We will create powerful television advertising to implement this
11 strategy. We will produce convincing anti-Bush TV spots and get
12 them on the air in targeted states. We will buy enough airtime to
13 effectively deliver our message to swing voters in those states. We
14 will sustain our advertising presence continually throughout the
15 pre-primary and primary periods.
16

17 Similarly, under "Targeting":

18 We have selected five states in which to launch this project. They
19 are FL, OH, MO, WV, and NV. These are five states Bush won by
20 small margins in 2000. If results in 2004 mirror those in 2000, we
21 can defeat Bush by turning only one of the three larger states (FL,
22 OH, MO) or both of the two smaller ones (WV, NV).
23

24 Lastly, this solicitation makes clear that MOVF (as opposed to MoveOn.Org or MoveOn
25 PAC) would sponsor and direct the advertising campaign:

26 The MisLeader campaign will be housed in, controlled by and
27 administered through the MoveOn.org Voter Fund, a 527
28 organization. . . . A small group of progressive political
29 consultants, activists and fundraisers have joined with the
30 leadership of the MoveOn.org Voter Fund, a 527 organization, to
31 carry out an early advertising campaign to unseat President George
32 Bush.
33

34 Moreover, MOVF spent virtually all of its money on federal campaign activity. In
35 October 2003, MOVF announced a plan to raise \$10 million from its supporters in order to "run
36 ads in swing states that expose the truth about George Bush's policies." MOVF dedicated more

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1 than \$14.6 million of its \$21,346,380 in total expenditures reported to the IRS during the 2004
2 election cycle to the production costs and media expenses related to these advertisements.
3 During the entire 2004 election cycle, the only other disbursements made by MOVF were for
4 fundraising, administrative expenses, and \$724,000 in grants to other political organizations.
5 MOVF made no disbursements in connection with state or local elections during the 2004
6 election cycle. Finally, MOVF has been virtually inactive since the 2004 general election.⁷
7 According to Elijah Pariser, "Voter Fund's one campaign was to run ads in battleground states
8 and in key states running up to the 2004 reelection to educate voters about the President's
9 positions. There was no other campaign after that, and no point in running ads in those states."
10 In a recent article, Mr. Pariser describes MOVF as "dormant," and the MoveOn.org website no
11 longer mentions MOVF when describing the MoveOn.org family of organizations.⁸

12 Thus, MOVF satisfies *Buckley's* major purpose test.

13 **III. CONCLUSION**

14 Based upon the foregoing, MOVF exceeded the \$1,000 threshold for political committee
15 status set forth in 2 U.S.C. § 431(4) by receiving over \$1,000 in contributions in response to
16 fundraising solicitations clearly indicating that the funds received would be targeted to the
17 election or defeat of a clearly identified federal candidate, and had the major purpose of federal
18 campaign activity. As a result, MOVF had a duty to register as a political committee with the
19 Commission and disclose its receipts and disbursements to the public through reports filed with
20 the Commission. Because it has not, the Commission finds reason to believe that MoveOn.org

⁷ According to its 2005 IRS reports, MOVF took in a single contribution of \$5,000 and disbursed \$70,427, all for administrative expenses.

⁸ Carl Hulse and Sheryl Gay Stolberg, *G O P is Taking Aim at Advocacy Groups*, N.Y. Times, March 31, 2006, at A12.

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1 Voter Fund violated 2 U.S.C. §§ 433 and 434 by failing to register as a political committee with
2 the Commission and file the required disclosure reports.

3 As a political committee, MOVF must comply with the Act's contribution limits and
4 source restrictions. MOVF knowingly accepted contributions in amounts exceeding \$5,000 from
5 individuals. Accordingly, the Commission further finds reason to believe that MoveOn.org
6 Voter Fund violated 2 U.S.C. § 441a(f) by knowingly accepting contributions in amounts
7 exceeding \$5,000 from individuals.⁹

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⁹ MOVF does not appear to have accepted corporate or union funds