



**BEFORE THE UNITED STATES  
FEDERAL ELECTION COMMISSION**

MAY 19 PM 12: 52  
OFFICE OF GENERAL  
COUNSEL

Greg Gianforte

Bozeman, MT 59715,

Greg for Montana and Lorna Kuney, Treasurer  
P.O. Box 1597  
Helena, MT 59624,

Gianforte Victory Fund and Chris Marston, Treasurer  
P.O. Box 26141  
Alexandria, VA 22313,

MUR No. 7249

Montana Republican State Central Committee and  
Mike Hopkins, Treasurer  
P.O. Box 935  
Helena, MT 59624, and

NRCC and Keith Davis, Treasurer  
320 First Street, SE  
Washington, DC 20003

## COMPLAINT

This Complaint is filed pursuant to 52 U.S.C. § 30109(a)(1) against Greg Gianforte; Greg for Montana and Lorna Kuney, Treasurer; Gianforte Victory Fund and Chris Marston, Treasurer; Montana Republican State Central Committee (MRSCC) and Mike Hopkins, Treasurer; and NRCC and Keith Davis, Treasurer (collectively, “Respondents”). In short, Respondents have used the Gianforte Victory Fund to raise funds into the MRSCC and NRCC earmarked to aid Gianforte’s campaign, in circumvention of the federal contribution limits and reporting requirements.

### I. FACTUAL BACKGROUND

Greg Gianforte is a candidate for congress in Montana’s at-large district who is running in the May 25, 2017 special general election. The special congressional election is the only election on the ballot on that date.<sup>1</sup> Greg for Montana is Gianforte’s principal campaign committee. Gianforte Victory Fund is a joint fundraising committee comprised of Greg for Montana, the Montana Republican State Central Committee (“MRSCC”), and the NRCC.<sup>2</sup>

<sup>1</sup> See Montana Secretary of State, 2017 Election Calendar, at <https://sos.mt.gov/elections/calendar> (last visited May 12, 2017).

<sup>2</sup> Gianforte Victory Fund, Statement of Organization (filed Mar. 20, 2017).

According to a recent press report, during the week of May 1, Gianforte held a “national fundraising call” with donors, during which he solicited funds for his campaign.<sup>3</sup> Earlier in his campaign, Gianforte pledged that he would not accept contributions from corporate-sponsored PACs. During the call, Gianforte was asked if this was still the case. He responded with remarkable candor:

*We do not accept any industry PAC money, although if someone wanted to support through a PAC our Victory Fund allows that money to go to all the get-out-the-vote efforts. And the reason for that is I came off the governor’s race last year having made a big deal about not taking any PAC money, and it would be a self-inflicted wound. We are starting to lessen that by taking political PAC money. That’s why we took the leadership PAC money from members in the House but not industry PAC money directly to the campaign.*<sup>4</sup>

Notably, Gianforte does not deny making these remarks; instead, his campaign spokesperson claimed that “Greg was simply stating that they can support the party if they want. (that’s what he meant by ‘victory fund’ – not the JFA.) It was a confusing choice of words.”<sup>5</sup>

## II. LEGAL BACKGROUND AND ANALYSIS

The Federal Election Campaign Act of 1971, as amended, limits the amount of financial support that a candidate may receive from a single source per election.<sup>6</sup> Currently, a candidate may accept up to \$5,000 per election from a multicandidate PAC, and up to \$2,700 per election from other permissible persons.<sup>7</sup> In order to prevent circumvention of the limits, Commission rules provide that a person may contribute to a candidate and also a political committee that supports that candidate, so long as, *inter alia*, the contributor “does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election.”<sup>8</sup> If the donor does give to a political committee with the knowledge that the contribution will be expended on behalf of a particular candidate, that contribution must be aggregated with the donor’s contributions to the candidate.<sup>9</sup>

<sup>3</sup> Simone Pathé, Montana Candidate’s Comments Raise Questions About Corporate Money, *Roll Call* (May 11, 2017), available at <http://www.rollcall.com/news/politics/montana-gianforte-quist-pacs>.

<sup>4</sup> *Id.* (emphasis added).

<sup>5</sup> *Id.*

<sup>6</sup> 52 U.S.C. § 30116.

<sup>7</sup> *Id.* § 30116(a)(1)(A), (2)(A).

<sup>8</sup> 11 C.F.R. §§ 110.1(h)(2), 110.2(h)(2).

<sup>9</sup> *Contribution and Expenditure Limitations and Prohibitions; Contributions by Persons and Multicandidate Political Committees; Final Rule*, 52 Fed. Reg. 760, 765 (Jan. 9, 1987).

Here, Gianforte was caught attempting to circumvent the Act's limitations by soliciting funds to the Gianforte Victory Fund earmarked for his election. He told donors that while his campaign would not accept corporate PAC donations directly, "if someone wanted to support through a PAC our Victory Fund allows that money to go to all the get-out-the-vote efforts." Of course, as there is only one election on the May 25 ballot – Gianforte's own – it was abundantly clear from his remarks that the donations to the Victory Fund would be expended on behalf of his election.


Gianforte's purported explanation – that when he said "Victory Fund," he was referring to the MRSCC instead of the Gianforte Victory Fund – strains credulity. But even if he is taken at his word, it does not change the analysis: if he was directing donors to contribute funds to the MRSCC with the understanding that they would be used to support his election through get-out-the-vote efforts, it implicates the same aggregation rule at 11 C.F.R. 110.1(h) and 110.2(h).

Accordingly, to the extent that donors on the call contributed to the Gianforte Victory Fund or the MRSCC after Gianforte's remarks, those contributions would be subject to Gianforte's candidate limits, and would need to be aggregated with any other contributions made to Greg for Montana. Moreover, Respondents may have violated the Act by failing to report these earmarked contributions as such.<sup>10</sup> The Commission should promptly investigate to determine whether Respondents in fact received any excessive contributions or violated the Act's reporting requirements.

### III. CONCLUSION

As described above, there is compelling evidence that Respondents have used the Gianforte Victory Fund to raise funds into the MRSCC and NRCC earmarked to aid Gianforte's campaign, in circumvention of the federal contribution limits. The Commission should investigate this matter promptly to determine whether Greg for Montana received excessive contributions. If it does, the Commission must find reason to believe that Respondents have violated the Act, require Greg for Montana to refund or disgorge the excessive portion of the contributions received, impose the maximum civil penalty permitted by law, enjoin respondents from any and all future violations, and impose such additional remedies as it finds necessary and appropriate.

Respectfully Submitted,



End Citizens United by,  
[ ERIN J. FYFFE ]  
P.O. Box 66005  
Washington, DC 20035

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<sup>10</sup> See 11 C.F.R. § 110.6(c).

Sworn to and subscribed before me this 16 day of May, 2017



Notary Public



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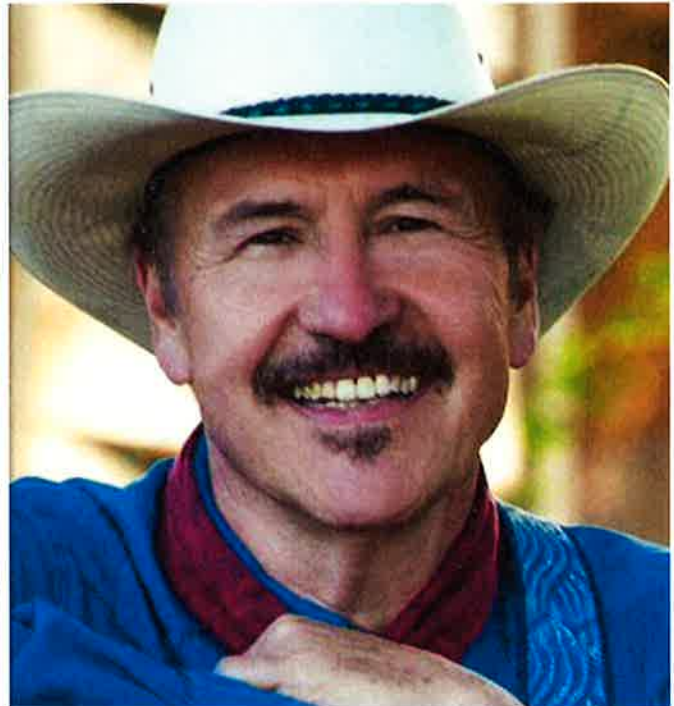
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# Montana Candidate's Comments Raise Questions About Corporate Money

Gianforte and Quist both claim they refuse industry PAC contributions









Republican Greg Gianforte, left, is running against Democrat Rob Quist in a special election to fill the at-large Montana congressional seat vacated by former Rep. Ryan Zinke, who's now serving as secretary of the Interior.

**Simone Pathé** (</author/simonepathecqrollcall-com>)@Simone Pathé (<http://www.twitter.com/sfpathe>)

Posted May 11, 2017 9:54 PM

Comments made by Montana Republican Greg Gianforte on a national fundraising call last week raise questions about what he meant when he said that industry PACs could contribute to “our Victory Fund.”

      Both Gianforte and Democrat Rob Quist say they have refused to accept corporate PAC money in the race for Montana's at-large House seat. But when asked on last week's call, audio of which was obtained by CQ Roll Call, whether he still did not accept PAC money, Gianforte gave a confusing answer.

"We do not accept any industry PAC money, although if someone wanted to support through a PAC our Victory Fund allows that money to go to all the get-out-the-vote efforts," he said.

Gianforte went on.

"And the reason for that is I came off the governor's race last year having made a big deal about not taking any PAC money, and it would be a self-inflicted wound. We are starting to lessen that by taking political PAC money. That's why we took the leadership PAC money from members in the House but not industry PAC money directly to the campaign," Gianforte said.

## Victory Fund?

But it's not clear what Gianforte meant when he said "our Victory Fund."

Like many candidates, including Quist, Gianforte has what is known as a joint fundraising committee. It's called the Gianforte Victory Fund. Money it receives is shared with the National Republican Congressional Committee and the Montana Republican State Central Committee.

Under a joint fundraising agreement, multiple candidates, PACs or party committees can join together to "share the costs of fundraising, and split the proceeds," according to OpenSecrets.

They're like "one-stop shopping," said election lawyer Michael Toner, a former chairman of the FEC, because they allow donors to contribute in one place.

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But the Gianforte campaign said Thursday that he was referring to the Republican Party, not that joint fundraising agreement, on the call and therefore wasn't compromising his pledge not to accept corporate PAC money.

"Greg was simply stating that they can support the party if they want. (that's what he meant by 'victory fund' — not the JFA.) It was a confusing choice of words," a spokesman for the campaign said in an email, suggesting that "victory" has sometimes been synonymous with the party.

The spokesman said Gianforte has always been clear that he won't accept corporate PAC money.

Gianforte's campaign says that both its campaign committee and its joint fundraising committee are only accepting money from political party and leadership PACs.

Quist has said (<https://www.usnews.com/news/best-states/montana/articles/2017-03-08/montana->

~~house-candidates-set-limits-on-taking-pac-money~~ he won't take corporate PAC money but will accept labor and ideological PAC money. The Quist campaign confirmed Thursday that Quist's pledge applies to the Quist Victory Fund, too, which he shares with the Montana Democratic Party.

Neither campaign's joint victory funds have filed their first reports with the Federal Election Commission.

## PAC attacks

The PAC pledge has long been a source of political attacks in Montana. During last year's gubernatorial campaign, Gianforte knocked Democratic Gov. Steve Bullock for not accepting his pledge not to take PAC money. Democrats dismissed the pledge since Gianforte was able to kick \$6 million of his own money into his campaign.

When Gianforte headlined a fundraiser for the state GOP in Washington, D.C., last year, he faced questions about whether he'd be violating his pledge by helping the state party raise money from PACs. In order to avoid that appearance, his campaign told the Associated Press (<http://www.greatfalls Tribune.com/story/news/politics/2016/03/17/event-raises-questions-gianfortes-pac-pledge/81919238/>) it wouldn't accept money from the state party.

"We're not planning to take any more money from the Republican party," Gianforte's gubernatorial campaign spokesman told the AP in March of last year.

In this year's House race, both sides have been quick to try to capitalize on the other's money issues. During a recent debate, Quist attacked Gianforte for having financial ties to Russian businesses (<https://www.theguardian.com/us-news/2017/apr/28/greg-gianforte-republican-candidate-congress-russia-companies>), including those that are on the U.S. sanctions list. Gianforte's wealth has been a frequent source of attack, with Democrats trying to brand him as a millionaire from New Jersey.

But Quist's personal financial troubles ([http://billingsgazette.com/news/government-and-politics/quist-has-year-debt-trail-records-show/article\\_a660f016-9229-5e3c-9114-f831a0ba012f.html](http://billingsgazette.com/news/government-and-politics/quist-has-year-debt-trail-records-show/article_a660f016-9229-5e3c-9114-f831a0ba012f.html)) have also been fodder for Republicans. Major outside GOP groups have attacked him for trouble paying his taxes. Congressional Leadership, the super PAC backed by GOP leadership, released a new ad ([https://www.youtube.com/watch?v=\\_bVPZWwpxQ&feature=youtu.be](https://www.youtube.com/watch?v=_bVPZWwpxQ&feature=youtu.be)) Thursday using Quist's financial issues to question his credibility and readiness to serve.

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