



# FACT

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FEDERAL ELECTION COMMISSION

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**OFFICE OF GENERAL COUNSEL**

July 9, 2024

Ms. Lisa J. Stevenson  
Acting General Counsel  
Office of the General Counsel  
Federal Election Commission  
1050 First Street, NE  
Washington, D.C. 20463

**MUR 8284**

Email: [EnfComplaint@fec.gov](mailto:EnfComplaint@fec.gov)

## **COMPLAINT BEFORE THE FEDERAL ELECTION COMMISSION**

RE: Rep. Gwen Moore and GWEN PAC

Dear Ms. Stevenson,

The Foundation for Accountability and Civic Trust (FACT) is a nonprofit organization dedicated to promoting accountability, ethics, and transparency in government and civic arenas. We achieve this mission by hanging a lantern over public officials who put their own interests over the interests of the public good. This complaint is submitted upon information and belief that Representative Gwen Moore has abused her leadership PAC to the extent its activity demonstrates it is a “scam PAC” and is in violation of the Federal Election Campaign Act (FECA or the Act). **In the 2024 election cycle, at least 79% of GWEN PAC’s spending has gone towards operating expenditures.<sup>1</sup> Even worse, more than 95% of total expenditures have gone toward things other than contributions to political committees or organizations—which is its claimed purpose. This is consistent with the operation of a scam PAC.** We

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<sup>1</sup> FACT’s analysis was made using data submitted to the FEC by GWEN PAC of [receipt](#) and [disbursement](#) between January 1, 2023 and March 31, 2024.

request the Federal Election Commission (FEC) investigate and, if needed, take appropriate enforcement actions.<sup>2</sup>

**LAW.** A scam PAC is a political action committee that raises funds under the guise of supporting candidates or causes, but primarily spends the money it raises on operating costs. These expenses may be described as administrative or fundraising expenses, and often times have benefits for the PAC founders. Although there is no precise ratio of spending, any time a PAC's administrative costs constitute its primary spending then it is likely a scam PAC.

Federal candidates and office holders are **not** permitted to operate a scam PAC. Federal law sets forth a regulatory scheme under which federal candidates are only allowed to raise and spend funds as specifically identified in the Act.<sup>3</sup> Essentially, if the Act does not specifically

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<sup>2</sup> “If the Commission, upon receiving a complaint . . . has reason to believe that a person has committed, or is about to commit, a violation of [Act] . . . [t]he Commission shall make an investigation of such alleged violation.” [52 U.S.C. § 30109\(a\)\(2\)](#); [11 C.F.R. § 111.4\(a\)](#).

<sup>3</sup> Put another way, candidates are prohibited from soliciting, receiving, directing, transferring, or spending funds in connection with a federal election unless the funds are “federal funds,” defined as funds that “comply with the limitations, prohibitions, and reporting requirements of [federal law].” [11 C.F.R. 300.2\(g\)](#); *see also* [52 U.S.C. §§ 30101, 30114](#) (permitted uses of contributions), [30116](#) (limitations on contributions and expenditures), [30118](#) (limitations on contributions or expenditures for corporations, labor organization, national banks); [11 C.F.R. 300.2\(g\)](#) (defining “federal funds”) and (k) (defining “non-federal funds” as “funds that are not subject to the limitations and prohibitions of the act”).

allow it, then they cannot do it.<sup>4</sup> It is important to note that the law applies to any type of funds raised by a candidate or office holder.<sup>5</sup>

In addition to their authorized campaign committee, federal law permits a Member of Congress to spend funds from only one other source—a “leadership PAC” to “support other candidates for federal and nonfederal office.”<sup>6</sup> Although a “scam PAC” can be registered as any type of PAC, including a “leadership PAC,” this is a guise because the scam PAC does not actually function as a leadership PAC and, in fact, is not a leadership PAC.<sup>7</sup> Rather, it fundraises under the pretext that contributions will be used to support candidates or causes, but instead the funds raised are primarily spent on operating expenses.<sup>8</sup> This is not a type of PAC a federal candidate or office holder is permitted to have under the Act.

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<sup>4</sup> Under [52 U.S.C. sections 30116 and 30118](#), federal candidates are prohibited from soliciting or accepting contributions from an individual in excess of \$3,300, from non-multi-candidate-PACs in excess of \$3,300, from multi-candidate PACs in excess of \$5,000, and any contribution from any corporation or labor organization.

Under [52 U.S.C. section 30114\(a\)](#), federal candidates are only permitted to spend contributions for specifically numerated activities: “(1) authorized expenditures in connection with the campaign for Federal office of the candidate or individual; (2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office; (3) for contributions to an organization described in [section 170\(c\) of title 26](#); (4) for transfers, without limitation, to a national, State, or local committee of a political party; (5) for donations to State and local candidates subject to the provisions of State law; (6) for any other lawful purpose . . . .”

Additionally, candidates and office holders are forbidden from using contributions for personal use, specifically a “contribution accepted by a candidate, and any other donation received by an individual as support for activities of the individual as a holder of Federal office,” “shall not be converted by any person to personal use.” [52 U.S.C. sec. 30114\(a\) and \(b\)\(1\)](#).

<sup>5</sup> Moreover, in a similar application the House rules also demonstrate this is the case, stating “the term ‘campaign funds’ includes funds of any political committee under the Federal Election Campaign Act of 1971, without regard to whether the committee is an authorized committee of the Member . . . .” [House Rule 23 cl. 15\(d\)\(1\)](#).

<sup>6</sup> A leadership PAC is not the Member’s authorized campaign committee, nor is it associated with the Member’s campaign committee. See, The Federal Election Commission, [Types of Nonconnected PACs](#), available at: <https://www.fec.gov/help-candidates-and-committees/registering-pac/types-nonconnected-pacs/>. Rather, a leadership PAC is a separate political committee that a Member has “directly or indirectly established, financed, maintained or controlled.” [52 U.S.C. sec. 30104\(i\)\(8\)\(b\)](#) (defining “leadership PAC”); [11 CFR sec. 100.5\(e\)\(6\)](#).

<sup>7</sup> According to a media analysis on leadership PAC spending “[t]he typical federal lawmaker spends 70% of their money from their leadership PAC on politics.” Daniel Bice, [U.S. Rep Gwen Moore Used Her Leadership PAC On Lobster, Limos And Wine Country Luxury](#), Milwaukee Journal-Sentinel, May 30, 2023.

<sup>8</sup> See, e.g., Maja Cook, [How “Scam PACs” Line Their Pockets by Deceiving Political Donors](#), Open Secrets, Aug. 18, 2023.

**FACTS.** In this case, Rep. Gwen Moore established a leadership PAC named “Giving Willingly Empowering Nationally” (GWEN PAC), which in order to operate as the law requires must primarily be supporting candidates for office or causes. Unfortunately, Moore’s PAC does not actually operate as a leadership PAC. In the 2024 election cycle to date,<sup>9</sup> GWEN PAC has raised \$288,023.82 and disbursed \$281,902.90.<sup>10</sup>

Of the disbursements, GWEN PAC reported that \$223,002.99 was on operating expenditures (79%) and \$58,899.91 was on “contributions to federal candidates/committees and other political committees.”<sup>11</sup> However, examining the \$58,899.91 in disbursements labeled as “contributions” show that \$31,000 was actually payments to fundraising consultants, including Rep. Moore’s sister.<sup>12</sup> **In the 2024 election cycle GWEN PAC has only made \$14,500 in actual contributions to political committees or organizations, just 5% of its overall spending.<sup>13</sup> This means that 94.8% of GWEN PAC’s spending went toward things other than the law’s required purpose of supporting candidates or causes.**

When the most recent data is examined, which are the last two quarters of 2023 and the first quarter of 2024, GWEN PAC raised \$147,788.92 and spent over \$153,762. However, during this time it only made \$4,500 in political contributions.<sup>14</sup> Virtually all of GWEN PAC’s disbursements were for consulting services, office supplies, restaurants, groceries and alcohol, travel, gifts, and rideshare services, as can be seen in the table below:<sup>15</sup>

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<sup>9</sup> All spending in the calendar years of 2023 and 2024 are considered the 2024 election cycle.

<sup>10</sup> FACT’s analysis was made using processed [receipt](#) and [disbursement](#) data submitted to the FEC by GWEN PAC for the 2024 election cycle.

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

<sup>14</sup> The final two quarters of 2023 consisted of [receipts](#) and [disbursements](#) made by GWEN PAC and submitted to the FEC between July 1, 2023 and December 31, 2023. The first quarter of 2024 consisted of receipts and disbursements made between January 1, 2024 and March 31, 2024.

<sup>15</sup> *Id.*

Disbursement Purpose	Amount
Consulting Services	\$53,150.00
Office Supplies	\$11,727.13
Catering	\$9,279.00
Restaurants	\$6,767.09
Hotels	\$8,033.37
Food Delivery, Alcohol, Groceries	\$3,940.09
Airlines	\$8,934.26
Events/Gift Supplies	\$3,318.01
Rideshare Expenses	\$1,826.62

**GWEN PAC spent almost eight times more on just food and travel than it did on its required purpose of supporting candidates.** This food and travel spending included:

- \$1,626.70 on Uber Eats,
- \$1,049.06 on Starbucks,
- Thousands of dollars at expensive and prominent restaurants like Harvest Tide, Farmers & Distillers, Crazy Aunt Helen's, L'Ardente, Mi Vida, Jaleo by Jose Andres, The Hamilton, and Joe's Stone Crab
- \$2,145.94 at the Lodge at Sonoma resort in California's wine country.<sup>16</sup>

Additionally, Moore continues to spend large amounts on fundraising consultants, again one of whom is her own sister. GWEN PAC's spending is clearly antithetical to that of a leadership PAC.<sup>17</sup>

**ANALYSIS.** Federal law only authorizes candidates and office holders to spend federal funds from a campaign committee or leadership PAC—GWEN PAC's spending clearly

<sup>16</sup> *Id.*; see also, [The Lodge at Sonoma](#), accessed June 5, 2024.

<sup>17</sup> Brenda Moore, who provides fundraising consulting services to GWEN PAC, is Rep. Gwen Moore's sister. See, Reid Epstein, [Meet Capitol Hill's Top Uber User: Rep. Gwen Moore](#), The Wall Street Journal, Nov. 12, 2014.

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demonstrates it is neither. Although GWEN PAC is registered as and claims to be a leadership PAC, a leadership PAC must be operated “to support candidates for various federal and nonfederal offices.” GWEN PAC’s spending is not consistent with this legally required purpose. The bottom line is that this case is so extreme that anyone donating to GWEN PAC is either (1) being completely bamboozled by Rep. Moore or (2) is doing so knowingly in an attempt to influence the Member. Again, at least **seventy-nine percent of its spending in the 2024 election cycle has been on overhead expenses directly benefitting Rep. Moore and those around her.** Furthermore, **95% of expenditures went toward things other than contributions to political committees or organizations—a most egregious scam PAC.** Consequently, GWEN PAC is not a leadership PAC but a scam PAC, and federal law does not authorize candidates or office holders to operate scam PACs.

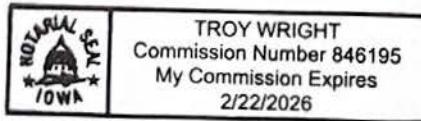
Based on the facts above, it appears Rep. Moore and her leadership PAC are in violation of federal law and therefore we request the FEC investigate. Ultimately, if one or more campaign laws are found to have been broken, we request the FEC hold the respondents accountable.

Respectfully submitted,



Kendra Arnold  
Executive Director  
Foundation for Accountability & Civic Trust  
1717 K Street NW, Suite 900  
Washington, D.C. 20006

Subscribed and sworn to before me on July 9, 2024.



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Troy Wright  
Notary Public