

BEFORE THE FEDERAL ELECTION COMMISSION

STEVEN C. SHEINBERG, CHIEF ADMINISTRATIVE
OFFICER & CHIEF LEGAL OFFICER
ANTI-DEFAMATION LEAGUE
605 Third Ave.
New York, NY 10158

v.

MUR No. _____

JVP ACTION PAC AND SETH MORRISON,
TREASURER
712 H. St. NE, Suite 1363
Washington, D.C. 20002

COMPLAINT

1. This complaint is filed pursuant to 52 U.S.C. § 30109(a)(1) and is based on information and belief that JVP Action PAC (“JVP PAC” or “the PAC”) has violated a number of provisions of the Federal Election Campaign Act (“FECA”) and Federal Election Commission (“FEC”) regulations, including 52 U.S.C. §§ 30104(b), 30118(a), and 30116(f).
2. As discussed below, JVP PAC is registered with the FEC as a nonconnected committee— i.e., a political committee with no “connected organization” to establish, administer, or raise money for the committee.¹ Despite its nonconnected status, JVP PAC describes itself as “the electoral wing” of JVP Action, a social welfare organization organized under Section 501(c)(4) of the Internal Revenue Code that is focused on United States policy towards the State of Israel.² According to the JVP PAC website, a contribution to the PAC “helps elect progressive candidates who will join our growing list of champions

¹ See 11 C.F.R. § 100.5(a) and 106.6(a).

² JVP PAC website, <https://www.jvpaction.org/support-jvp-action-pac/>, last visited May 22, 2024.

in Congress . . .”.³ On social media and through email and internet communications, JVP PAC regularly highlights a small set of federal candidates, implying that the work of the PAC is to contribute to these candidates’ campaigns and support their election to Congress.

3. In fact, a remarkably small amount of the PAC’s activity consists of contributions to candidates. During the period from 2020 to 2023, JVP PAC made a total of \$82,956.09 in reported expenditures—of this amount **only \$1,775, or a little over 2%.** took the form of monetary contributions to federal candidates. While JVP PAC holds itself out to the public as a mechanism for supporting a small set of candidates for federal office, a significant majority of the PAC’s spending has no direct connection to a federal campaign.
4. Instead, a significant portion of the PAC’s spending was dedicated to paying legal and compliance costs. This includes a payment of \$19,656 for “legal services” made to an insurance firm, Maury Donnelly & Parr, which does not appear to practice law. For a PAC to spend such a large share of its fund on legal and compliance vendors is unusual—in the case of JVP PAC, it is also ironic, as the PAC has demonstrated a repeated inability to comply with the FEC’s rules governing accounting and PAC activity. Simply put, JVP PAC’s numbers do not add up—from 2022 to the second half of 2023, JVP PAC had a negative cash on hand balance, while reporting no debt. The PAC’s reports show a number of financial discrepancies, discrepancies in cash on hand from report to report, and other reporting errors. JVP PAC also appears to have repeatedly accepted contributions in excess of federal limits.

³ *Id.*

5. This pattern of noncompliance has resulted in a total of four Requests for Additional Information (“RFAs”) from the FEC in recent years. These RFAs identified a number of apparent errors and violations of campaign finance laws, and gave JVP PAC an opportunity to correct the affected reports and explain the steps it would take to remediate the issues. Despite these repeated warnings from the FEC, JVP PAC has taken **no remedial steps** to address three RFAs received in 2022 and 2023 or to correct the public record—the PAC did not respond to the RFAs or amend the reports, nor does the PAC appear to have addressed the underlying substantive issues.⁴
6. JVP PAC also appears to have a pattern of accepting in-kind support from JVP Action without paying JVP Action for the market value of this support, potentially resulting in a prohibited in-kind corporate contribution. Among other things, JVP Action hosts JVP PAC materials on the JVP Action website,⁵ and also appears to cover expenses for phonebanks and fundraising events (at least some of which involved food, beer, and wine).⁶ While JVP PAC has reported paying JVP Action for payroll and mailing list expenses, these payments do not appear to cover the full range of in-kind support provided to JVP PAC by JVP Action. The full amount of the remaining support constitutes a prohibited in-kind corporate contribution from JVP Action to JVP PAC.
7. In view of the foregoing, the undersigned respectfully requests that the FEC find reason to believe that JVP PAC violated the FECA and open an investigation into these apparent violations of law.

⁴ After receiving an RFAI on December 18, 2020 notifying the PAC that it had failed to file a report covering the full reporting period for the 2020 Post-General Report, JVP PAC submitted a late version of the report.

⁵ See JVP Action website, <https://www.jvpaction.org/support-jvp-action-pac/>, last visited May 22, 2024.

⁶ See Tweets from @JVPActionPAC on July 19, 2022, July 18, 2022, June 6, 2022, May 28, 2022 (attached as Exhibit A).

COUNT ONE—ACCOUNTING AND BALANCE VIOLATIONS

8. 52 U.S.C. § 30104(b)(8) requires that a political committee accurately and completely disclose on periodic campaign finance reports “the amount and nature of outstanding debts and obligations owed by or to such political committee.”
9. On the committee’s 2022 October Quarterly Report, JVP PAC disclosed a negative ending cash balance of -\$9,479.40. This amount could only be correct if JVP PAC had overdrawn its account or incurred a debt—however, no such debt or obligation was disclosed by the PAC. On the committee’s 2023 Mid-Year Report, JVP PAC disclosed a negative ending cash balance of -\$15,481.50. This amount could only be correct if JVP PAC had overdrawn its account or incurred a debt—however, no such debt or obligation was disclosed by the PAC. Accordingly, JVP PAC appears to have violated Section 30104(b)(8).
10. 52 U.S.C. § 30104(b) requires that a political committee accurately and completely report, among other things, total receipts by the committee, total disbursements, itemized contributions, unitemized contributions, total contributions, total receipts, total federal receipts, federal operating expenditures, contributions to federal candidates and committees, total disbursements, and total federal disbursements. On the committee’s 2022 October Quarterly Report, JVP PAC appears to have inaccurately disclosed information in each of the foregoing categories. For example, on Line 6(c), JVP PAC disclosed total receipts of \$16,094 from July 14, 2022 to September 30, 2022, as well as total calendar year-to-date receipts through September 30, 2022 of \$16,329. This is impossible to reconcile with the fact that on the prior 2022 Pre-Primary Report (covering the period through July 13, 2022), JVP PAC disclosed year-to-date receipts through July

13, 2022 of \$36,815—a discrepancy of over 55%. The 2022 October Quarterly Report is rife with inaccuracies, with similar discrepancies on lines 7, 11(a)(i), 11(a)(ii), 11(a)(iii), 11(d), 19, 20, 21(b), 21(c), 23, 31, and 32 of the Report. Notwithstanding the existence of these serious reporting issues, JVP PAC has **never** filed an amendment to the 2022 October Quarterly Report, nor has it responded to the RFAI the FEC issued seeking an explanation for these apparent violations of law. Accordingly, JVP PAC appears to have violated Section 30104(b).

COUNT TWO—PROHIBITED CORPORATE CONTRIBUTIONS

11. 52 U.S.C. § 30118(a) prohibits a political committee such as JVP PAC from accepting any contribution of any amount from a corporation. A “contribution” includes “any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office.”⁷ “Anything of value” includes all in-kind contributions, such as the provision of goods or services without charge or at a charge less than the usual and normal charge.⁸
12. Here, JVP PAC appears to have accepted in-kind contributions from JVP Action in the form of website services and hosting, as well as phonebank and fundraising events (at least some of which involved food, beer, and wine). For the fiscal year ending June 2022, JVP Action reported on the organization’s Form 990 (a copy of page 10 of which is included as Exhibit B) spending \$14,663 on “information technology,” at least some portion of which appears to have been to support and host JVP PAC’s web presence. On the same report (also on page 10), JVP Action reported spending \$18,303 on “non-employee” fundraising expenses. While JVP PAC disclosed paying JVP Action for

⁷ 52 U.S.C. 30101(8)(A)(i); *see also* 11 C.F.R. § 100.52(a).

⁸ 11 C.F.R. § 100.52(d)(1).

“payroll” and “mailing list” expenses, none of these would appear to cover the information technology and non-employee fundraising benefits JVP Action appears to have provided to the PAC on an in-kind basis.

13. In view of the foregoing, JVP PAC appears to have violated Section 30118(a).

COUNT THREE—EXCESSIVE CONTRIBUTIONS

14. 52 U.S.C. § 30116(f) prohibits a committee such as JVP PAC from receiving any contribution from any individual person in excess of \$5,000 per calendar year. On at least two occasions, JVP PAC appears to have violated this Section.

15. First, JVP PAC accepted two contributions from Jonathan Brown of Seattle, Washington totaling \$9,562.00—more than \$4,562.08 in excess of applicable limits. In particular, Mr. Brown contributed \$4,562.08 in stock of Adobe Systems Inc. on January 3, 2022, followed by an additional \$5,000 monetary contribution on August 27, 2022. Based on a review of JVP PAC’s reports, the excessive contribution by Mr. Brown does not appear to have been refunded at any point, leaving JVP PAC with the full benefit resulting from this apparent violation of federal campaign finance laws.

16. Second, JVP accepted two contributions from Dianne Shammas of Laguna Beach, California totaling \$10,000, which is \$5,000 in excess of applicable limits. Ms. Shammas contributed \$5,000 on two occasions—once on January 3, 2022 and again on April 28, 2022. As with Mr. Brown, JVP PAC does not appear to have refunded Ms. Shammas’s excessive contributions at any point, thereby retaining the benefit of \$5,000 received in apparent violation of the FECA.

17. In view of the foregoing, JVP appears to have violated Section 30116(f).

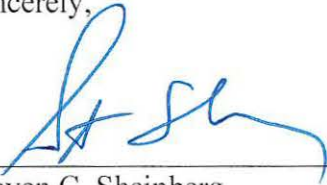
CONCLUSION

18. In view of the foregoing, there is clear reason to believe that JVP PAC violated 52 U.S.C.

h § 30101 *et seq.*, and applicable FEC regulations, and particularly 52 U.S.C. §§ 30104(b), ~~30104(b)~~ **30116(f)**, and 30118(a). The FEC should conduct an immediate investigation under 52 U.S.C. § 30109(a)(2).

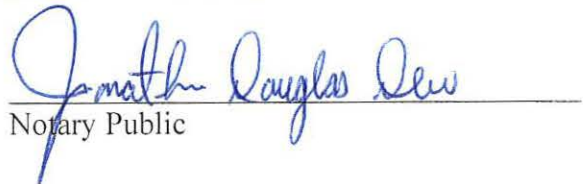
19. The FEC should seek appropriate sanctions for any and all violations, including civil penalties sufficient to deter future violations and an injunction prohibiting the respondents from any and all violations in the future, and should seek such additional remedies as are necessary and appropriate to ensure compliance with the FECA.

Sincerely,



Steven C. Sheinberg
Chief Legal Officer
Anti-Defamation League
605 Third Ave.
New York, NY 10158

SUBSCRIBED AND SWORN TO before me this 3rd day of June, 2024.



Notary Public

My Commission Expires:

10/21/2027

JONATHAN DOUGLAS DEW
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01DE0014727
Qualified in Kings County
Commission Expires October 21, 2027

EXHIBIT A



JVP Action PAC @JVPAActionPAC · Jul 19, 2022



We've got TWO WEEKS until @RashidaTlaib's primary. It's time to hit the phones!

Rashida is the fighter we need. She's working for justice for all people, from Detroit to Palestine. Show up to keep the ground this movement has gained. #DefendRashida

Join us on Thurs 7/21 @ 6pm!

The graphic features a blue rotary phone icon in the top left. The background is a mix of orange, light blue, and white with various geometric shapes like circles and stripes. The text is in bold, sans-serif fonts. A photo of a group of people, including a man with a guitar, is in the center. The text is in orange and red colors.

JVP Action PAC Phonebank for Rashida

Join up with other progressive Jews and allies to hit the phones and get out the vote for Rashida!

Date: July 21st || Time: 6 pm ET/3 pm PT
Sign up here: bit.ly/July21Phonebank

Paid for by JVP Action PAC, P.O. Box. 15320 Washington, D.C., 20003

Rashida Tlaib and 7 others





JVP Action PAC @JVPAActionPAC · Jul 18, 2022



It's always been [#JewsForRashida](#) ❤️

[@RashidaTlaib](#)'s primary is coming up fast. Can you give \$18 today to keep Rashida, a powerhouse progressive who is working nonstop for justice for all people, in Congress?

Donate: secure.actblue.com/donate/jvpacti...



Rashida Tlaib and 8 others





JVP Action PAC @JVPAActionPAC · Jun 6, 2022

...

We've been hitting the doors and phones for months. Why? Because CA-32 has a chance to have a truly progressive member of Congress who will be a fight for justice. Last night to get out the vote for [@AazamiShervin!](#)

Final push let's go! 📞📞📞 actionnetwork.org/events/phone-b...



Estee Chandler and 5 others

💬 1

↻ 9

❤️ 14



🔖 📤



JVP Action PAC @JVPAActionPAC · May 28, 2022



Weekend of action for @AazamiShervin let's go!!!!



Estee Chandler @caliactivist · May 28, 2022

Join us Today 2-6pm @JVPAActionPAC IN PERSON phone bank, canvass & postcard writing party for @AazamiShervin These are easy calls to make!! We have great food, beer, wine, fruit & fun rsvp: shervin4ca.us/outreachevent @pdamerica @AJPaction @NIACActionPAC #SoOverBrad #CA32

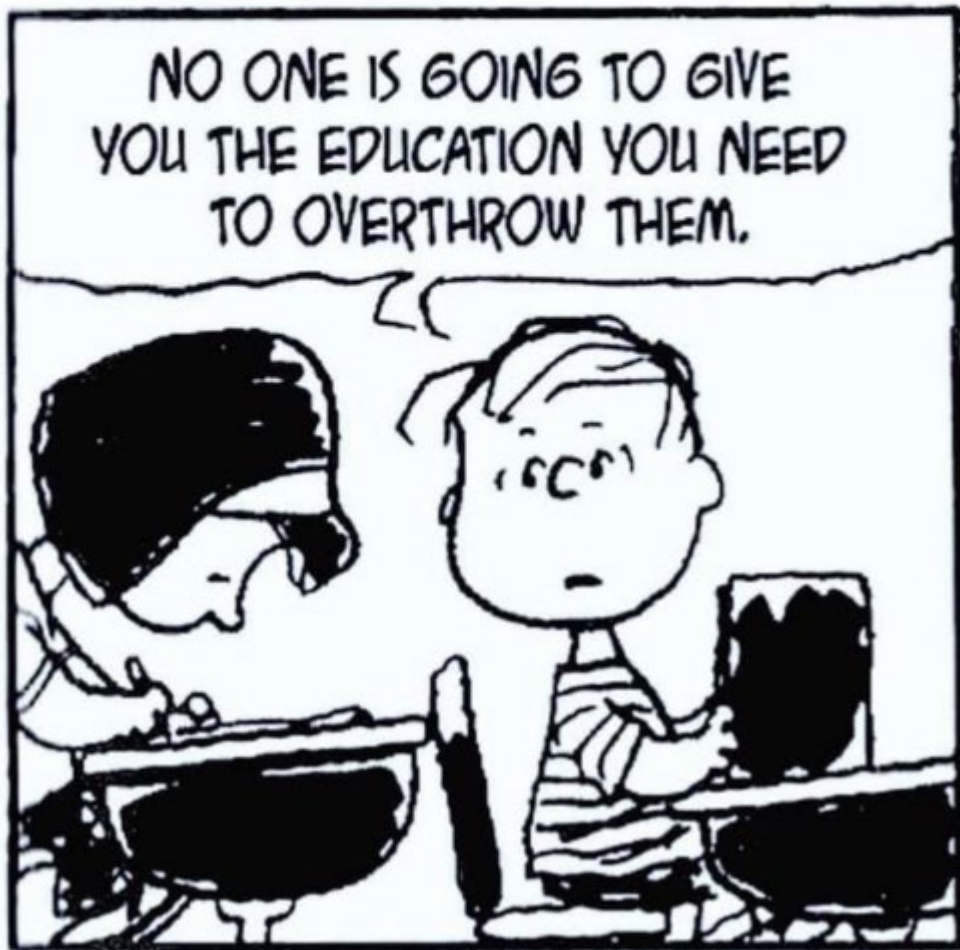


EXHIBIT B

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal	5,317		5,317	
c Accounting	38,453		38,453	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	21,128	1,963	862	18,303
12 Advertising and promotion				
13 Office expenses	18,967	500	1,968	16,499
14 Information technology	14,663	7,973	2,836	3,854
15 Royalties				
16 Occupancy	1,120	409	711	
17 Travel	245	49	196	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	18,139		18,139	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PERSONNEL ALLOCATION	158,625	124,380	16,464	17,781
b OTHER EXPENSE	62,020	8,500	13,300	40,220
c BANK FEES AND SERVICE C	6,703		136	6,567
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	345,380	143,774	98,382	103,224
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				