

**BEFORE THE
FEDERAL ELECTION COMMISSION**

James P. Moody
2000 Greenbriar
Springfield, IL 62704

Complainant,

v.

Veterans for the Constitution
William L. Albracht, Treasurer
P.O. Box 251
East Moline, Illinois, 61244

and

Robert Schilling
367 Avenue of the Cities, Suite D
East Moline, IL 61244

Respondents.

COMPLAINT

Complainant files this complaint under 2 U.S.C. § 437g(a)(1) against Robert Schilling ("Schilling"), and against Veterans for the Constitution, a/k/a Veterans for Schilling and William L. Albracht, Treasurer ("Respondents"), requesting that the Federal Election Commission investigate violations of the Federal Election Campaign Act, as described below.

A. FACTUAL ALLEGATIONS

On information and belief, Respondent, Veterans for the Constitution, apparently first organized as a political committee named "Veterans for Schilling" sometime before April 14, 2010.¹ As stated on Respondents' website, www.veterans4schilling.org, their "mission" is a "united effort to seat Conservative leaders who truly represent the people and do not see the Constitution as an obstacle, but a document that our Founding Fathers intended by upheld at all

¹ Respondents' domain name, www.veterans4schilling.org, was registered on April 14, 2010. See the WHOIS report, included herewith as Attachment A.

costs."² Respondents' website also makes clear that they are supporting Robert Schilling.³ Mr. Schilling is running for U.S. Congress to represent Illinois' 17th District; he filed his Statement of Candidacy with the FEC on February 24, 2009. Accordingly, the word "Schilling" in Respondents' name and website refers to a federal candidate, Robert Schilling.

On information and belief, Respondent, Veterans for the Constitution, have paid for and erected at least one billboard in support of Mr. Schilling.⁴ As indicated by the date of certain blog posts concerning the billboard, it was erected sometime before May 2, 2010.⁵ The text of the billboard is as follows: "We Swore to DEFEND the Constitution. Some of us BLED, some of us Died. Mr. Hare, the Constitution MATTERS TO US. Veterans4schilling.org." It is unclear whether the billboard includes any additional text. As referenced in the billboard, Mr. Hare is Congressman Phil Hare who currently represents Illinois' 17th Congressional district and is Mr. Schilling's opponent in the upcoming election.

Thereafter, Respondents held a fundraiser with Mr. Schilling.⁶ As described in a thank you letter, sometime before May 7, 2010, Respondents held a "Lasagna dinner fundraiser" with Mr. Schilling which raised "almost \$1350" on behalf of Veterans for Schilling.⁷ Respondents' stated that "the money will go directly to the next *Veterans for Schilling* billboard to be erected at a specially-targeted venue in the 17th Congressional District" and that "every donation to Veterans for Schilling" goes directly to the cause."⁸

² See http://www.veterans4schilling.org/vets_4_constitution_003.htm (last visited August 3, 2010). The same content may also be viewed on Respondents' companion website, <http://vets4constitution.org>.

³ *Id.*

⁴ An image of the billboard is included as Attachment B.

⁵ See <http://weaselzippers.us/2010/05/02/vets-sponsor-billboard-slamming-rep-phil-i-dont-worry-about-the-constitution-hare/> (last visited August 3, 2010).

⁶ See the "Event After-Action Report," dated May 7, 2010 available at <http://vets4constitution.org/linked/vets4bobby.doc> and included herewith as Attachment C.

⁷ *Id.*

⁸ *Id.*

Apparently, on or about May 25, 2010, Veterans for Schilling started operating simultaneously as "Veterans for the Constitution."⁹ On information and belief, on June 1, 2010, Respondent, Veterans for the Constitution, registered as a political committee with the FEC under that name, but as of this date, continue to operate both www.vets4constitution.org and www.veterans4schilling.org.

On their July Quarterly report filed with the FEC, Respondents only reported receiving \$29.00 in contributions but listed \$1,759.13 in "Cash on Hand at Beginning of Reporting Period," which according to a note "was monies donated by individuals to individuals and a former non-PAC group. The collected monies was used to purchase two (2) billboards and the \$1,759.13 is what was left and moved to the subject PAC on June 1, 2010."

Thus, the facts demonstrate that Veterans for Schilling raised undisclosed, earmarked contributions in coordination with Mr. Schilling to fund billboards expressly advocating his election, had \$1,759.13 left over, and *only later* registered with the Commission as a political committee.

B. LEGAL ARGUMENT:

1. Respondents Failed to Register and Report as a Political Committee in a Timely Manner

The Act defines a "political committee" as "any committee, club, association, or other group of persons which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year."

2 U.S.C. § 431(4). Any political committee that makes expenditures aggregating in excess of \$1,000 during a calendar year must file a statement of organization within 10 days of formation and must file periodic disclosure reports with the FEC. *Id.* §§ 433, 434.

⁹ See <http://qcexaminer.wordpress.com/2010/05/25/obamas-mini-me/> (last visited August 3, 2010).

Respondents did not file as a political committee with the FEC until June 1, 2010. However, they organized to support Schilling's campaign, created a website, raised enough money to pay for two billboards and have \$1,759.13 left over, and erected a billboard attacking Representative Hare, all by the beginning of May 2010. Accordingly, Respondents failed to file a statement of organization within 10 days of formation as required by the Act.

2. Respondents Failed to Properly Report their Contributions and Expenditures

Under the Act, a political committee is required to report all of its contributions and expenditures. 2 U.S.C. § 434. According to their own statements to the FEC, Respondents have raised enough money to purchase two billboards, not to mention the creation of their website and payments for their fundraising and other activities, and still have \$1,759.13 left over. However, Respondents have failed to properly report any of these contributions or expenditures. Respondents have refused to disclose to the public the source of their funds or how they are being spent, as required by law.

3. Respondents May Have Made and Mr. Schilling May Have Accepted In-Kind Contributions, Possibly In Excess of the Legal Limit

Under the Act and the Commission's regulations, communications that are coordinated with a candidate are considered to be in-kind contributions to that candidate. 11 C.F.R. § 109.21(a). Public communications are considered to be coordinated if they (1) are "paid for in whole or in part, by a person other than that candidate [or] authorized committee"; (2) satisfy one of the regulation's content standards; and (3) satisfy one of the regulation's conduct standards. 11 C.F.R. § 109.21(a), (b). The content standard is met if, *inter alia*, a public communication references a House candidate within 90 days of an election. 11 C.F.R. § 109.21(c). The conduct standard is met if, *inter alia*, the communication is created, produced, or distributed at the

request, suggestion, or assent of a candidate, authorized committee, political party committee or agent. *Id.* § 109.21(d)(1). Furthermore, contributions received by a political committee that are earmarked for a specific candidate and spent under the direction of the political committee, count towards the contribution limit of the donor and the political committee itself. *Id.* § 110.6

Given their "Event After-Action Report," it appears that Respondents coordinated with Mr. Schilling to raise funds specifically to pay for billboards expressly advocating his election. Accordingly, the expense of the billboards appears to be an unreported in-kind contribution to Mr. Schilling's campaign. Also, as Respondents have failed to report the source of their funds or the amount of their expenditures for the billboards, the Commission should investigate whether such in-kind contributions were made with funds from prohibited sources, or in amounts in excess of the Act's contribution limits. Finally, as the contributions to Respondents were earmarked for Mr. Schilling according to the "Event After-Action Report" such contributions must count towards the donors' and Respondents' limits in determining whether they made contributions in violations of the Act.

4. Respondents Failed to Comply With the Act's Disclaimer Requirements

Under the Commission's regulations, public communications by a political committee, including on an "outdoor advertising facility" must include a disclaimer. 11 C.F.R. §§ 100.25, §110.11. For a non-connected committee, the disclaimer must clearly state who paid for the ad; the group's telephone number, address, or web address; and whether or not it was authorized by a candidate. *Id.* § 110.11(b). Such disclaimers must be presented in a "clear and conspicuous manner," and on print communications, the disclaimer must be sufficient size to be clearly

readable, appear in a box, and be printed in a reasonable degree of color contrast. *Id.* §§ 110.11(c)(1),(2).

Here, as evidenced from the picture referenced herein, Respondents' billboard does not contain a disclaimer in a "clear and conspicuous manner." On at least one of their billboards, Respondents included a disclaimer that stated "Paid for by Veterans for the Constitution." However, this disclaimer violates the Commission's regulations because it does not state whether or not it was authorized by a candidate or include the committee's address, telephone number, or web address. Also, both of Respondents' websites simply say "Vets for the Constitution." These disclaimers are in violation of the Commission's regulations because they do not say whether the websites are authorized by a candidate, are not in a box, do not include the words "paid for by," and do not include an address or telephone number. The Commission should investigate whether all of Respondents' disclaimers are in violation of the law.

5. Respondents' Committee Name and Website Name Include the Name of a Candidate that they are Supporting in Violation of the Law

Commission regulations prohibit a non-connected committee from using a candidate's name in its own name. *See* 11 C.F.R. 102.14(a). Commission rules also prohibit a non-connected committee from using a candidate's name in the name of a special project, like a website. *Id.* 102.14(b)(3).

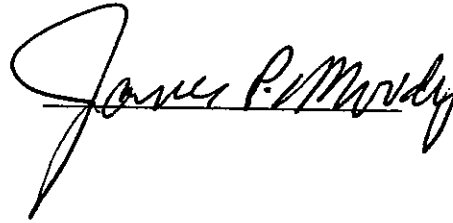
Here, Respondents used the name of a federal candidate, Mr. Schilling, in both the name of the first iteration of their committee, and continue to do so on their website, www.vets4schilling.org, and are therefore in violation of the Commission's regulations.

C. REQUESTED ACTION

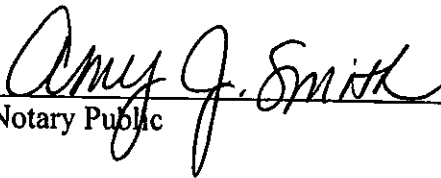
For the reasons described above, we respectfully urge the Commission to investigate the violations described herein. We further request that Respondents be enjoined from further violations and be fined the maximum amount permitted by law.

Respectfully submitted by

James P. Moody, Complainant,

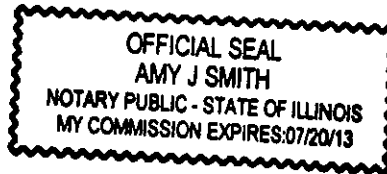


SUBSCRIBED AND SWORN to before me this 27 day of August, 2010.


Notary Public

My Commission Expires:

7/20/13

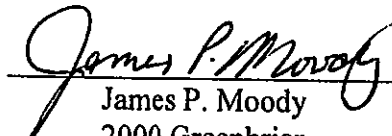


CERTIFICATE OF SERVICE

I James P. Moody hereby certify that the foregoing instrument was served upon each of the addressees hereinafter set forth by enclosing the same in an envelope plainly addressed to each of the said addresses affixing first class postage thereto and depositing the same with the United States Mail at Springfield, Illinois on the 22nd day of August, 2010:

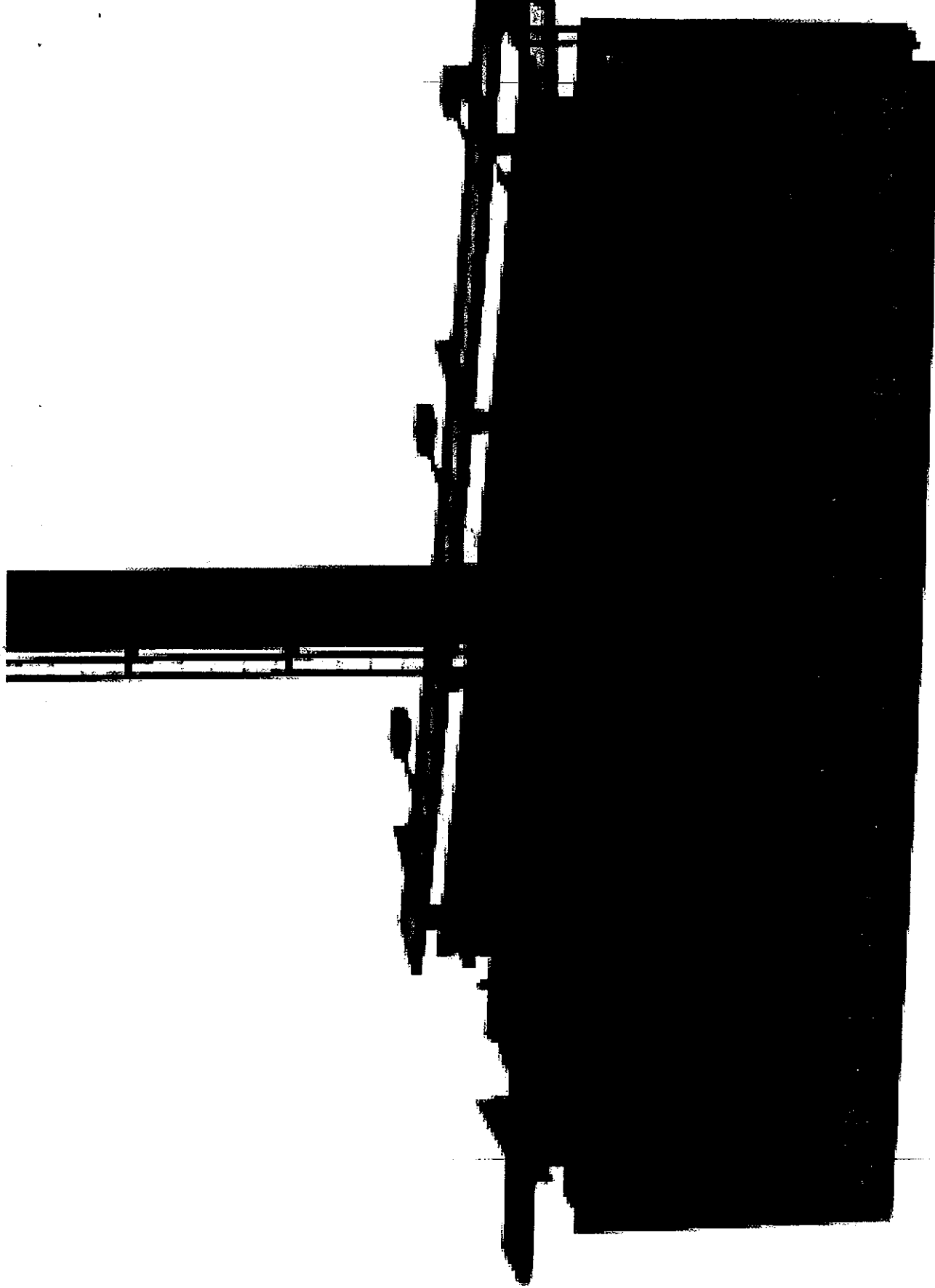
Veterans for the Constitution
William L. Albracht, Treasurer
P.O. Box 251
East Moline, Illinois, 61244

Robert Schilling
367 Avenue of the Cities, Suite D
East Moline, IL 61244


James P. Moody
2000 Greenbriar
Springfield, IL 62704
217-971-8408

Attachment A

Attachment B



Attachment C

THANK YOU!!!

Vets 4 Schilling Fundraiser Huge Success

Veterans For Schilling would like to take this opportunity to thank all who attended, but especially the volunteers that made the event possible. So in no particular order, thank you Annette, Paula, Mary, Nan, Courtney, Pat H. & Pat S. for donating your time to make the Lasagna dinner fundraiser an outstanding event.

Bobby's remarks to the crowd on hand had everyone up and applauding. It was not only a testament to Bobby, but to the message he is delivering to the voters of the 17th, and that message is "enough is enough." The people must again regain control of their government and let it begin HERE and let it begin NOW. As inspirational and on-target as Bobby's remarks were, the true highlight of the evening was the letter read by Ray Hamilton from Sergeant John Baker, the Quad Cities' own Medal of Honor recipient (much more on this later).

The 50/50 drawing was won by the Handel Family of Colona (with the lovely and charming Holly actually holding the winning ticket). Holly and her family (dominated by Marines!) donated the winnings back to Vets 4 Schilling! Our most sincere thanks to the Handel family... and even the Marines.

Retired Captain Rich "Big Mac" McDonald sent in a \$100 donation for the event. Rich lives in the Philly area but served shoulder-to-shoulder in heavy combat with Bill Albracht and figures this makes him even! Seriously, Rich is a great American and also wants his country back.

All in all, the event raised almost \$1350! This money will go directly to the next *Veterans For Schilling* billboard to be erected at a specially-targeted venue in the 17th Congressional District. So to paraphrase that famous naval hero John Paul Jones, ***we have not yet begun to fight!*** We now have the momentum and we mean to keep it.

Remember, every donation to *Veterans For Schilling* goes directly to the cause. There are no administrative expenses or fees. Every cent is accounted for and is spent on nothing but getting our message out, so please send whatever you can whenever you can.

Ken Moffett, Russ Taylor, and Bill Albracht