BEFORE THE FEDERAL ELECTION COMMISSION

SMP 1032 15th Street NW, Suite 247 Washington, DC 20005

Complainant,

v.

NRSC 425 2nd Street NE Washington, DC 20002

Respondent.

COMPLAINT

Complainant files this complaint under 52 U.S.C. § 30109(a)(1) against the NRSC ("*Respondent*"), for violating the Federal Election Campaign Act of 1971, as amended ("*FECA*" or the "*Act*") by impermissibly using funds from the NRSC's "legal proceedings" and "headquarters" accounts (collectively, "*specialty accounts*") to pay for candidate television advertisements.

FECA strictly limits the amount that a national party committee may raise from any single donor. In 2014, Congress amended FECA to create a narrow exception to these contribution limits, allowing a national party committee to raise funds up to three times the regular contribution limit into "separate, segregated" specialty accounts that could only be used to finance expenses incurred for party headquarters buildings and legal proceedings. Despite the narrow statutory purposes for the specialty accounts, it appears that the NRSC spent at least 4.8 million dollars in specialty account funds on candidate television advertisements. If

illegally use funds in specialty accounts in violation of the Act's restrictions on the use of those accounts.

LEGAL BACKGROUND

Under FECA, national political party committees may set up two kinds of specialty accounts in addition to their general operating accounts: (1) an account "to defray expenses incurred with respect to the construction, purchase, renovation, operation, and furnishing of one or more headquarters buildings of the party" (a "headquarters account") and (2) an account "to defray expenses incurred with respect to the preparation for and the conduct of election recounts and contests and other legal proceedings" (a "legal proceedings account"). Each account must be kept "separate" and "segregated" from general national party committee funds and can accept contributions from a single donor in amounts up to 300% of the contribution limit that applies to a national party committee's general operating account(s). To illustrate the impact of the heighted contribution limit, during the 2024 election cycle, an individual donor could contribute up to \$41,300 to a national party committee's general account, but up to \$123,900 to each of the headquarters and legal proceedings accounts.

FACTS

In the months leading up to the 2024 general election, the NRSC created three joint fundraising committees (each a "*JFC*", collectively the "*JFCs*") with the campaigns of the following Republican Senate candidates: Sam Brown, Mike Rogers and Eric Hovde.⁴ The JFCs,

¹ 52 U.S.C. § 30116(a)(9). The legislation further allowed the Democratic and Republican National Committees—but not their congressional counterparts—to establish a third account to finance presidential nominating conventions.

² Id. § 30116(a)(1)(B), (a)(9).

³ *Id.* § 30116(a)(1)(B); Contribution limits for 2023-2024, https://www.fec.gov/resources/cms-content/documents/contribution_limits_chart_2023-2024.pdf (last accessed Aug. 8, 2025).

⁴ Nevada Victory Committee, FEC Form 1, https://docquery.fec.gov/pdf/020/202410089684826020/202410089684826020.pdf (last accessed Aug. 8, 2025),

named Michigan Victory Committee ("MVC"), Nevada Victory Committee ("NVC") and Wisconsin Victory Committee ("WVC"), each included the NRSC and the Senate campaign committee of the Republican nominee for Senate in each of those states.

Each JFC disseminated multiple television advertisements (the "Advertisements") that are materially indistinguishable from typical candidate advertisements. The Advertisements, 16 of which are detailed in Exhibit A, follow a similar playbook: advocate for the Republican Senate candidate and/or oppose a Democratic Senate candidate, display a QR code that links to the JFC's solicitation page, and include a general, oral solicitation to "give today" or "donate today."

A script for one of these Advertisements is as follows:

Tammy Baldwin doesn't share our Wisconsin values. Baldwin's life partner is a Wall Street executive who has invested in industries that Tammy oversees in Washington. But Senator Baldwin refuses to disclose her partner's financial assets. That's a conflict of interest. They're getting richer while you're paying more. Tammy Baldwin's not on your side. She's in bed with Wall Street. I'm Eric Hovde and I approve this message. Join the team and give today.⁷

As explained in Exhibit B, it appears that the NRSC used the JFCs to spend at least 4.8 million dollars in specialty account funds on the Advertisements.

Complainant is an independent expenditure-only committee with a singular mission of electing Democrats to the U.S. Senate. During the 2024 election cycle, SMP made over \$350

Wisconsin Victory Committee, FEC Form 1,

https://docquery.fec.gov/pdf/453/202409199675534453/202409199675534453.pdf (last accessed Aug. 8, 2025); Michigan Victory Committee, FEC Form 1,

https://docquery.fec.gov/pdf/617/202409139675430617/202409139675430617.pdf (last accessed Aug. 8, 2025).

⁵ See Exhibit A.

⁶ Id.

⁷ Conflict of Interest, https://host2.adimpact.com/admo/viewer/11285890-8d49-4fda-b7d3-ee14f8b2fddc (last accessed Aug. 8, 2025).

⁸ SMP, Committee ID: C00484642, https://www.fec.gov/data/committee/C00484642/; Senate Majority PAC, About Us, https://senatemajority.com/about-us/.

million in disbursements in furtherance of its mission and has continued its work for the 2026 election cycle. 9 SMP reviews NRSC activity, including its joint fundraising activity, and use of its legal proceedings and headquarters accounts, to assess sources and strength of support for rival candidates to evaluate the viability of their own candidates, and to make informed strategic and resource-allocation decisions.

LEGAL ANALYSIS

The NRSC's apparent use of millions of dollars in specialty account funds on the Advertisements violates the plain text of FECA. A national party committee's legal proceedings account may only be used to pay for "the preparation for and the conduct of election recounts and contests and other legal proceedings." Similarly, the headquarters account may only be used "solely to defray expenses incurred with respect to the construction, purchase, renovation, operation, and furnishing of one or more headquarters buildings of the party." The cost of the Advertisements plainly fall outside the permissible uses of either specialty account. The cost of television advertising that advocates for the election of a candidate to the U.S. Senate is not an expense incurred to prepare for or conduct a legal proceeding or to construct, renovate, purchase, operate or furnish a headquarters building. The NRSC's apparent use of specialty account funds on the Advertisements thus violates FECA's restrictions on the permissible uses of the accounts.

Allowing a party committee's specialty accounts to finance candidate television advertisements is also irreconcilable with the default contribution limit that FECA imposes on donations to a national party committee. Congress' determination to allow national parties to accept three times as much money per donor into the specialty accounts depended on the

⁹ SMP, 2024 Year End Report, https://docquery.fec.gov/cgi-bin/forms/C00484642/1873693/.

¹⁰ 52 U.S.C. § 30116(a)(9)(C).

¹¹ Id. § 30116(a)(9)(B).

restrictions on the use of such accounts. If a national party committee could use the specialty accounts for candidate television advertising, it would render the general contribution limit to a national party committee and the requirement to keep the specialty accounts "separate" and "segregated" meaningless. A donor could simply give over six times the regular contribution limit to the two specialty accounts to fund candidate advocacy.

Congress established the party committee specialty accounts to make it easier for national parties to fund a very narrow set of expenses, not to create a work-around of the general account contribution limits. There is simply no authority in the law to allow Respondent to use their legal proceedings and headquarters account funds for candidate television advertisements like they appeared to do during the 2024 election cycle.

REQUEST FOR ACTION

Based on the information and examples outlined in this Complaint, the Commission should find reason to believe that a violation of the Act has occurred and open an immediate investigation. The facts presented indicate that Respondent violated the Act by improperly using millions of dollars in legal proceedings and headquarters account funds to produce and disseminate pure candidate advocacy advertisements—a direct contravention of the clear parameters outlined in 52 U.S.C. § 30116(a)(9)(B) and (C). By doing so, Complainant was required to spend more money to create an even playing field on which Democratic Senate candidates could compete. Further, Respondent's evasion of the Act's coordinated party expenditure limits, contribution limits, and associated reporting requirements deprived Complainant of key information on the amounts each committee actually paid toward a given coordinated effort, which Complainant would have used to inform its own spending.

To effectively compete on an even playing field in future elections, Complainant must be able to trust that FECA's specialty accounts are used for their statutory purposes. The Commission has an obligation to investigate further and determine to what extent Respondent misused funds in their specialty accounts for purposes not authorized by Congress, and to ensure that Respondent be enjoined from further violations and be fined the maximum amount permitted by law.

Sincerely,

SMP, by

JB Poersch

1032 15th Street NW, Suite 247

Washington, DC 20005

SUBSCRIBED AND SWORN to before me this day

Notary Public

My Commission Expires:

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Exhibit A

Michigan	1. Bought By China	https://host2.adimpact.com/admo/viewer/b6541ab9-8343-43ef-		
Victory		b5f9-ffd3ef30a41e		
Committee	2. Nothing Will Change	https://host2.adimpact.com/admo/viewer/9c456b46-e19e-46a0- 92dd-2948ff6a98b7		
	3. More Work To Do	https://host2.adimpact.com/admo/viewer/5e808a7f-a743-47c1-a6fe-de9b5169b4c2		
	4. China Deal	https://host2.adimpact.com/admo/viewer/c9282582-ff0f-4e68-8cee-6a4aaa1dc1c2		
	5. Not Normal	https://host2.adimpact.com/admo/viewer/9ad4281a-a5c5-4d4d- 9e0d-7c2b61da2d7f		
Nevada Victory Committee	6. Time for a Change	https://host2.adimpact.com/admo/viewer/24b9d9a0-99c7-45ef- a7ca-a491a530a08d		
Committee	7. Radical and Extreme	https://host2.adimpact.com/admo/viewer/635fe274-d31e-435c- b5da-d8b45302ab04		
	8. Demasiado Extremas	https://host2.adimpact.com/admo/viewer/3b229df0-705b-4ffc- a15a-371f7b6ad164		
	9. Warrior	https://host2.adimpact.com/admo/viewer/4dbb1c8b-6f93-49df- 9993-79912917b854		
	10. Believes in Exceptions	https://host2.adimpact.com/admo/viewer/e5649e32-db24-42c1- 9c65-2ccb87d63816		
	11. Agenda Trans	https://host2.adimpact.com/admo/viewer/7c3f4502-7491-4c74- 9d45-fe87a6174abd		
Wisconsin Victory Committee	12. Conflict Of Interest	https://host2.adimpact.com/admo/viewer/11285890-8d49-4fda- b7d3-ee14f8b2fddc		
Committee	13. Fraud	https://host2.adimpact.com/admo/viewer/6f399103-660a-4ad7- a7a7-f15295ac02ea		
	14. Sick And Tired	https://host2.adimpact.com/admo/viewer/8d58dbb6-5d3d-4ada- 84b5-a51c0a5b337b		
	15. Liberal Snob	https://host2.adimpact.com/admo/viewer/1bb6bace-522a-48f3- 927a-0f2f4776adb1		
	16. Dangerous	https://host2.adimpact.com/admo/viewer/0c687ec6-953d-4603- a3fc-da04f57ae9b0		

Exhibit B

In the months leading up to the 2024 general election, the NRSC created three joint fundraising committees (each a "JFC", collectively the "JFCs") with the campaigns of the following Republican Senate candidates: Sam Brown, Mike Rogers and Eric Hovde. 12 The JFCs, named Michigan Victory Committee ("MVC"), Nevada Victory Committee ("NVC") and Wisconsin Victory Committee ("WVC"), each included the NRSC and the Senate campaign committee of the Republican nominee for Senate in each of those states.

The NRSC JFCs appear to have raised millions of dollars in funds allocated to the NRSC's specialty accounts but only transferred \$8,174 out to those accounts as proceeds. This means that millions of dollars in funds allocated to the NRSC specialty accounts were spent directly out of the JFCs on their operating expenses. Each JFC reported that over 99% of their operating expenses were for media-related costs, totaling \$20.07 million. To the best of Complainants knowledge, the only advertising distributed by the JFCs were the Advertisements and it is therefore assumed that all media costs went to finance the Advertisements. Thus, it appears that the NRSC spent a significant amount of specialty account funds on the Advertisements. Further explanation with summary charts is below.

I. Specialty Funds Raised

The JFCs raised more than \$4.8 million in contributions that appear to have been allocated to the NRSC's specialty accounts from (1) recount accounts of Republican candidates

¹² Nevada Victory Committee, FEC Form 1,

https://docquery.fec.gov/pdf/020/202410089684826020/202410089684826020.pdf (last accessed Aug. 8, 2025); Wisconsin Victory Committee, FEC Form 1,

https://docquery.fec.gov/pdf/453/202409199675534453/202409199675534453.pdf (last accessed Aug. 8, 2025);

Michigan Victory Committee, FEC Form 1,

https://docquery.fec.gov/pdf/617/202409139675430617/202409139675430617.pdf (last accessed Aug. 8, 2025).

running for Senate in 2024 and (2) the Republican National Committee ("RNC")'s headquarters account.

Candidate Recount Account Transfers into the JFCs

Contributor	Recipient JFC	Amount	Date
Deb Fischer for U.S. Senate Recount Account	Michigan Victory Committee	\$150,000	10/30/2024
Deb Fischer for U.S. Senate Recount Account	Michigan Victory Committee	\$171,000	10/31/2024
Kari Lake for Senate Recount Account	Wisconsin Victory Committee	\$50,000	10/30/2024
Tim Sheehy for Montana Recount Account	Wisconsin Victory Committee	\$150,000	9/30/2024

Republican National Committee HQ Account Transfers into the JFCs

Recipient JFC	Amount	Date
Michigan Victory Committee	\$750,000	10/25/2024
Michigan Victory Committee	\$1,500,000	10/18/2024
Nevada Victory Committee	\$600,000	10/23/2024
Wisconsin Victory Committee	\$1,500,000	10/18/2024
TOTAL	\$4,350,000	

II. Specialty Account Funds Used for JFC media spending

The JFCs transferred a combined total of \$8,174 in proceeds to the NRSC's specialty accounts after expenses were paid. 13 Thus, of the \$4,871,000 in contributions apparently allocated to the NRSC specialty accounts, \$4,862,826 was spent out of the JFC on operating expenses. Each JFC reported that over 99% of their operating expenses were media-related costs. 14 The JFCs did not disclose which individual costs were associated with specific Advertisements, but rather just reported expenses as media-related. Assuming that the use of the specialty account funds tracked the overall breakdown of operating expenditures, this means at least 4.8 million dollars in specialty account funds went towards media costs for the Advertisements.

JFC	Total Contributions Received	Media-Related Expenditures ¹⁵	Operating Expenditures	Percent of Contributions Used for Media-Related Expenditures
Michigan Victory Committee	\$9,225,222.64	\$9,109,604.95	\$9,125,029.41	98.7%
Nevada Victory Committee	\$4,592,771.43	\$4,415,345.71	\$4,426,602.69	96.1%
Wisconsin Victory Committee	\$6,601,921.46	\$6,548,071.47	\$6,570,730.95	99.2%
Total	\$20,419,915.53	\$20,073,022.13		

¹³ See FEC, Browse Data, https://www.fec.gov/data/browse-data/ (last accessed Aug. 8, 2025).

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¹⁴ "Media-related" means JFC operating expenditures with purposes such as media, media production, media consulting or advertising.

¹⁵ Id.

JFC Proceed Distributions to NRSC Specialty Accounts

JFC	Total Proceeds Transferred to NRSC Legal Proceedings Account	Total Proceeds Transferred to NRSC Headquarters Account	Total Transferred to Specialty Accounts
Michigan Victory Committee	\$1,138.13	\$124.17	\$1,262.30
Nevada Victory Committee	\$4,775.97	\$64.49	\$4,840.46
Wisconsin Victory Committee	\$1,870.76	\$199.57	\$2,070.33
Total	\$7,784.86	\$388.23	\$8,173.09

None of the JFCs made any proceed distributions to any other party specialty account or campaign recount account.

Data for Exhibits B-D is available at https://www.fec.gov/data/committees/.