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COMMISSION

FEDERAL ELECTION COMMISSION

2012 APR 26 PM 2:57

In the matter of:

The Commission for Hope, Growth
and Opportunity

MUR No. 6471

OFFICE OF GENERAL
COUNSEL

AMENDED COMPLAINT

1. Citizens for Responsibility and Ethics in Washington ("CREW") and Melanie Sloan bring this complaint before the Federal Election Commission ("FEC" or "Commission") seeking an immediate investigation and enforcement action against the Commission for Hope, Growth and Opportunity for direct and serious violations of the Federal Election Campaign Act ("FECA").

Complainants

2. Complainant CREW is a non-profit corporation, organized under section 501(c)(3) of the Internal Revenue Code. CREW is committed to protecting the right of citizens to be informed about the activities of government officials and to ensuring the integrity of government officials. CREW is dedicated to empowering citizens to have an influential voice in government decisions and in the governmental decision-making process. CREW uses a combination of research, litigation, and advocacy to advance its mission.

3. In furtherance of its mission, CREW seeks to expose unethical and illegal conduct of those involved in government. One way CREW does this is by educating citizens regarding the integrity of the electoral process and our system of government. Toward this end, CREW monitors the campaign finance activities of those who run for federal office and publicizes those who violate federal campaign finance laws through its website, press releases and other methods of distribution. CREW also files complaints with the FEC when it discovers violations of the FECA. Publicizing

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campaign finance violators and filing complaints with the FEC serves CREW's mission of keeping the public informed about individuals and entities that violate campaign finance laws and deterring future violations of campaign finance law.

4. In order to assess whether an individual, candidate, political committee or other regulated entity is complying with federal campaign finance law, CREW needs the information contained in receipts and disbursements reports political committees must file pursuant to the FECA, 2 U.S.C. § 434(a)(2); 11 C.F.R. § 104.1, and in independent expenditure and electioneering communications disclosure reports that must be filed pursuant to the FECA, 2 U.S.C. § 434(c), (f); 11 C.F.R. §§ 104.20(b), 109.10(b)-(d). CREW is hindered in its programmatic activity when an individual, candidate, political committee or other regulated entity fails to disclose campaign finance information in reports required by the FECA.

5. CREW relies on the FEC's proper administration of the FECA's reporting requirements because the FECA-mandated disclosure reports are the only source of information CREW can use to determine if an individual, candidate, political committee or other regulated entity is complying with the FECA. The proper administration of the FECA's reporting requirements includes mandating that all disclosure reports required by the FECA are properly and timely filed with the FEC. CREW is hindered in its programmatic activity when the FEC fails to properly administer the FECA's reporting requirements.

6. Complainant Melanie Sloan is the executive director of Citizens for Responsibility and Ethics in Washington, a citizen of the United States, and a registered voter and resident of the District of Columbia. As a registered voter, Ms. Sloan is entitled to receive information contained in disclosure reports required by the FECA, 2 U.S.C. §§ 434(a)(2), 434(c), 434(f); 11 C.F.R. §§

104.1, 104.20(b), 109.10(b)-(d). Ms. Sloan is harmed when an individual, candidate, political committee or other regulated entity fails to report campaign finance activity as required by the FECA. See *FEC v. Akins*, 524 U.S. 11, 19 (1998), quoting *Buckley v. Valeo*, 424 U.S. 1, 66-67 (1976) (political committees must disclose contributors and disbursements to help voters understand who provides which candidates with financial support). Ms. Sloan is further harmed when the FEC fails to properly administer the FECA's reporting requirements, limiting its ability to review campaign finance information.

Respondent

7. The Commission on Hope, Growth and Opportunity ("CHGO") is an unincorporated nonprofit association organized under section 501(c)(4) of the Internal Revenue Code and based in Washington, D.C. CHGO's contact information is as follows:

Commission on Hope, Growth and Opportunity
1900 M Street, N.W.
Suite 600
Washington, D.C. 20036
(202) 530-5332

8. As of April 25, 2012, CHGO was not a registered political committee.

Factual allegations

9. Between September 25 and November 2, 2010, CHGO spent \$2,314,000 on air time to broadcast television advertisements in 12 elections for seats in the House of Representatives.¹ All of these advertisements were included on a disc attached to CREW's original complaint as Exhibit A, and are available at www.citizensforethics.org/CHGO.

¹ The Campaign Media Analysis Group ("CMAG") tracks political advertisements broadcast on local, national, and cable television. The data collected by CMAG include the date of the advertising, the market in which it was broadcast, the content of the advertising, and the estimated cost of the air time purchased.

10. In 10 of the elections CHGO broadcast advertisements attacking one candidate and supporting the other one.

11. CHGO spent \$438,310 to broadcast two advertisements attacking Rep. John Spratt (D-SC) and supporting his Republican opponent, Mick Mulvaney.

12. Specifically, CHGO spent \$239,480 to broadcast one advertisement titled "Song and Dance" between September 25 and October 3, 2010. Exhibit A, track 1. In this advertisement CHGO stated that even though "it's the worst economy in decades," Spratt, "instead of looking out for us, approved billions in deficit spending without missing a beat." CHGO then encouraged voters to "pull the plug on this song and dance once and for all," and to "join Mick Mulvaney's fight against the big spenders in Washington." On screen at the end of the advertisement appeared the words "Fight back. Join Mick Mulvaney. Stop the big spenders in Congress."

13. CHGO spent \$198,830 to broadcast the second advertisement, titled "Collectible Coin," between October 28 and November 2, 2010. This advertisement ostensibly advertised a collectible coin commemorating President Obama "increasing our national debt to a staggering \$13.4 trillion" and Spratt's votes for the agenda of House Speaker Nancy Pelosi (D-CA). *Id.*, track 2. CHGO then told voters to call Spratt "to order yours today," and said "Mick Mulvaney has a better idea - stop the spending and get America working again." On screen at the end of this advertisement appeared the words "Help Mick Mulvaney. Stop the Spending. Make America Work Again."

14. CHGO spent \$240,690 to broadcast the "Song and Dance" advertisement against Rep. Kathy Dahlkemper (D-PA) and in support of her opponent, Republican Mike Kelly, between September 29 and October 5, 2010. *Id.*, track 3.

15. CHGO spent \$238,740 to broadcast the "Song and Dance" advertisement against Rep. Frank Kratovil (D-MD) and in support of Republican Andy Harris between September 29 and October 15, 2010. *Id.*, track 4.

16. CHGO spent \$74,240 to broadcast the "Song and Dance" advertisement against Rep. Allen Boyd (D-FL) and in support of Republican Steve Southerland between September 29 and October 5, 2010. *Id.*, track 5.

17. CHGO spent \$131,830 to broadcast the "Collectible Coin" advertisement against Rep. Suzanne Kosmas (D-FL) and in support of Republican Sandy Adams between October 8 and 14, 2010. *Id.*, track 6.

18. CHGO spent \$101,070 to broadcast the "Collectible Coin" advertisement against Rep. Baron Hill (D-IN) and in support of Republican Todd Young between October 29 and November 1, 2010. *Id.*, track 7.

19. CHGO spent \$76,230 to broadcast the "Collectible Coin" advertisement against Rep. C.A. (Dutch) Ruppberger (D-MD) and in support of Republican Marcelo Cardarelli between October 15 and November 1, 2010. *Id.*, track 8.

20. CHGO spent \$53,580 to broadcast the "Collectible Coin" advertisement against Rep. Paul Kanjorski (D-PA) and in support of Republican Lou Barletta between October 1 and 7, 2010. *Id.*, track 9.

21. CHGO also spent \$263,650 to broadcast an advertisement titled "Make America Work" against Rep. John Salazar (D-CO) and in support of his Republican opponent, Scott Tipton, between October 1 and October 9, 2010. In this advertisement, CHGO first identified Salazar as a candidate, then stated Salazar "squandered billions on a bogus stimulus bill as unemployment

skyrocketed,” and “led the charge with Pelosi for Obamacare, further crippling rural Colorado’s economy.” *Id.*, track 10. CHGO then touted Tipton, saying “he believes Coloradans know best how to create jobs and grow our economy,” and encouraging voters to “help Scott Tipton make America work again.”

22. CHGO spent \$99,160 to broadcast a similar “Make America Work” advertisement against Rep. Dan Maffei (D-NY) and in support of Republican Ann Marie Buerkle between October 25 and November 3, 2010. *Id.*, track 11. CHGO also spent \$65,860 to broadcast the “Collectible Coin” advertisement against Maffei and in support of Buerkle between October 21 and 25, 2010. *Id.*, track 12.

23. CHGO spent \$74,370 to broadcast the “Collectible Coin” advertisement in support of Rep. Walt Minnick (D-ID) between October 13 and 19, 2010 that did not mention his opponent. *Id.*, track 13.

24. CHGO broadcast two additional advertisements close to the election that attacked one candidate and encouraged voters to call the candidate.

25. CHGO spent \$415,270 to broadcast an advertisement against Rep. Carol Shea-Porter (D-NH) between October 8 and 16, 2010. In this advertisement, CHGO noted Shea-Porter’s votes for the stimulus package and the health care bill, and added “it gets worse” because Shea-Porter “voted for the Pelosi House agenda 93%” of the time. *Id.*, track 14. CHGO then encouraged voters to call Shea-Porter and “let her know if what you believe is what she believes” while the words “does she believe what we believe?” appeared on the screen.

26. CHGO also spent \$41,100 to broadcast a second advertisement against Boyd between October 27 and November 1, 2010. In this advertisement, CHGO asserted Boyd was one

of Pelosi's most loyal followers, but after he "voted no on Obamacare, Queen Nancy shouted 'off with his head,' and Allen quickly changed his vote to yes." CHGO then encouraged voters to call Boyd and urge him "to vote no again" and "repeal Obamacare." *Id.*, track 15.

27. On the screen at the end of each advertisement appeared a written disclaimer: "Paid for by the Commission on Hope, Growth and Opportunity, a tax-exempt 501(c)(4) organization and not a federal political committee. This message is not coordinated with any candidate or committee." CHGO's website, www.hopegrowthopportunity.org, appeared at the bottom of the screen.

28. On October 4, 2010, after some of these advertisements had aired, the Democratic Congressional Campaign Committee ("DCCC") filed a complaint with the FEC alleging CHGO failed to file any independent expenditure or electioneering communications reports for advertisements it broadcast as of October 1, 2010. Exhibit B to CREW's original complaint.

29. CHGO filed its 2010 Form 990 tax return with the Internal Revenue Service on or about November 14, 2011. Exhibit C (attached). CHGO reported to the IRS it spent a total of \$4,770,000 on all expenditures in 2010.

30. CHGO also reported paying a company called Meridian Strategies, LLC \$4,319,825 for "media placement," and \$275,000 for "media production," and \$105,175 for "advertising and technology" in 2010. CHGO further reported paying its general counsel, William Canfield, \$50,000 for legal services, and its President/Executive Director, Steven Powell, \$20,000 for management services.

31. CHGO reported to the IRS it did not spend any money on political activities on behalf of or in opposition to candidates for public office in 2010.

Legal background

32. An "independent expenditure" is an expenditure by a person for a communication "expressly advocating the election or defeat of a clearly identified candidate" that is not coordinated with a candidate or a political party. 2 U.S.C. § 431(17); 11 C.F.R. § 100.16(a).

33. The Commission's regulations define "expressly advocating" as any communication that either use phrases such as "Smith for Congress" or "Bill McKay in '94," 11 C.F.R. § 100.22(a), or "[w]hen taken as a whole and with limited reference to external events, such as the proximity to the election, could only be interpreted by a reasonable person as containing advocacy of the election or defeat of one or more clearly identified candidate(s) because - (1) The electoral portion of the communication is unmistakable, unambiguous, and suggestive of only one meaning; and (2) Reasonable minds could not differ as to whether it encourages actions to elect or defeat one or more clearly identified candidate(s) or encourages some other kind of action," 11 C.F.R. § 100.22(b).

34. A public communication is "a communication by means of any broadcast, cable or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing or telephone bank to the general public, or any other form of general public political advertising." 11 C.F.R. § 100.26.

35. A "clearly identified candidate" is one whose name, nickname, photograph or drawing appears, or whose identity is apparent through unambiguous reference. 11 C.F.R. § 100.17.

36. The FECA requires a person (including a political committee) who makes independent expenditures aggregating \$10,000 or more on a given election in a calendar year up to the 20th day before the date of an election to file a report describing the expenditure with the Commission within 48 hours. 2 U.S.C. § 434(g)(2)(A). Commission regulations specify that the

report must be filed not later than "11:59 p.m. Eastern Standard/Daylight Time on the second day following the date on which a communication that constitutes an independent expenditure is publicly distributed or otherwise publicly disseminated." 11 C.F.R. § 109.10(c).

37. The FECA further requires a person (including a political committee) who makes independent expenditures aggregating \$1,000 or more on a given election after the 20th day before the date of an election but more than 24 hours before the day of the election to file a report describing the expenditure with the Commission within 24 hours. 2 U.S.C. § 434(g)(1)(A). Commission regulations specify that the report must be filed not later than "11:59 p.m. Eastern Standard/Daylight Time on the day following the date on which a communication is publicly distributed or otherwise publicly disseminated." 11 C.F.R. § 109.10(d).

38. The FECA and the Commission's regulations define an "electioneering communication" as any broadcast, cable, or satellite communication that: (1) refers to a clearly identified candidate for Federal office; (2) is publicly distributed within 60 days before a general election for the office sought by the candidate; and (3) is targeted to the relevant electorate, in the case of a candidate for the House of Representatives. 2 U.S.C. § 434(f)(3)(A); 11 C.F.R. § 100.29(a).

39. The FECA requires a person who makes electioneering communications aggregating \$10,000 or more during a calendar year to file a statement describing the disbursement within 48 hours. 2 U.S.C. § 434(f)(1). Commission regulations specify that the report must be filed not later than "11:59 p.m. Eastern Standard/Daylight Time on the day following the disclosure date." 11 C.F.R. § 104.20(b).

40. The FECA and FEC regulations define 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)(A); 11 C.F.R. § 100.5(a). "Expenditures" for the purpose of this definition only includes "funds used for communications that expressly advocate the election or defeat of a clearly identified candidate." *Buckley v. Valeo*, 424 U.S. at 80.

41. In addition, only organizations whose "major purpose" is the nomination or election of federal candidates can be "political committees." *Id.* at 79. The FEC conducts a fact-intensive case-by-case analysis of an organization to determine if its major purpose is the nomination or election of federal candidates. Federal Election Commission, Political Committee Status, Supplemental Explanation and Justification, 72 Fed. Reg. 5595, 5601 (Feb. 7, 2007) ("Supplemental E&J"); *The Real Truth About Obama, Inc. v. FEC*, 796 F. Supp. 2d 736, 751 (E.D. Va. 2011). An organization can satisfy the major purpose doctrine through sufficiently extensive spending on federal campaign activity. *See FEC v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238, 262 (1986); Supplemental E&J, 72 Fed. Reg. at 5601.

42. All political committees are required to register with the FEC within 10 days of becoming a political committee. 2 U.S.C. § 433(a); 11 C.F.R. § 102.1(d).

43. The FECA and FEC regulations require all political committees to file periodic reports with the FEC. 2 U.S.C. § 434(a)(4); 11 C.F.R. § 104.1(a). These reports must, among other things: (1) identify all individuals who contribute an aggregate of more than \$200 in a year to the political committee and the amount individual each contributed; (2) identify all political committees

that made a contribution and the amount each committee contributed; (3) detail outstanding debts and obligations; and (4) list all expenditures. 2 U.S.C. § 434(b); 11 C.F.R. § 104.3.

Count I

44. The television advertisements CHGO broadcast were either independent expenditures or electioneering communications, but none of them have been reported to the Commission.

45. Nearly all of CHGO's advertisements are independent expenditures because they expressly advocated for the election or defeat of one or more clearly identified candidate. All of the advertisements clearly identified by name and by photograph and/or video either both the Republican and Democratic candidates or one of them. By telling voters to "fight back" and "join" a candidate's fight, "help" a candidate, or "pull the plug" on a candidate's "song and dance," the advertisements could only be reasonably interpreted as containing advocacy of the election or defeat of the candidates.

46. CHGO spent more than \$10,000 in each of the 11 House races in which it broadcast advertisements expressly advocating the election or defeat of candidates.

47. For each of the advertisements broadcast up to 20 days before the date of the election, CHGO should have filed an independent expenditure report with the Commission within 48 hours. For each of the advertisements broadcast within 20 days of the date of the election, CHGO should have filed an independent expenditure report with the Commission within 24 hours.

48. As of April 25, 2012, CHGO had not filed any independent expenditure reports regarding the advertisements.

49. Even if some of these advertisements were not independent expenditures, all of them were electioneering communications because they (1) referred to a clearly identified candidate or candidates, (2) were publicly distributed within 60 days of the election, and (3) were targeted to the relevant electorates. For the same reason, the two advertisements in which CHGO clearly identified one candidate and encouraged voters to call the candidate were electioneering communications.

50. CHGO should have filed electioneering communications reports with the Commission for each of the advertisements within 48 hours.

51. As of April 25, 2012, CHGO had not filed any electioneering communications reports regarding the advertisements.

52. By broadcasting advertisements that were either independent expenditures or electioneering communications and failing to report those expenditures to the FEC, CHGO violated 2 U.S.C. § 434(g) and 11 C.F.R. § 109.10(c)-(d), and/or 2 U.S.C. § 434(f)(1) and 11 C.F.R. § 104.20(b).

53. The filing of the DCCC complaint put CHGO on notice that its failure to report its independent expenditures or electioneering communications violated the FECA and relevant regulations. By failing to report its independent expenditures or electioneering communications arising from broadcasting advertisements after the DCCC filed its complaint, CHGO's violations were knowing and willful and thus subject to criminal penalties and referral to the Department of Justice. 2 U.S.C. §§ 437g(a)(5)(C), 437g(d)(1).

Count II

54. An independent expenditure or electioneering communication in the form of a communication transmitted through television must include a disclaimer. 2 U.S.C. § 441d(d)(2); 11

C.F.R. § 110.11(c)(4). The communication must include the audio statement that “[the person paying for the communication] is responsible for the content of this advertising,” conveyed by a representative of the person paying for the communication either in an unobscured, full-screen view of the representative or in a voiceover. 2 U.S.C. § 441d(d)(2); 11 C.F.R. § 110.11(c)(4)(i)-(ii). The communication must also include this statement in a “clearly readable manner.” 2 U.S.C. § 441d(d)(2); 11 C.F.R. § 110.11(c)(4)(iii).

55. All of the television advertisements paid for by CHGO were independent expenditures or electioneering communications, but none of them included either the audio or written disclaimer stating CHGO is responsible for the content of the advertising. By failing to include the disclaimer, CHGO violated 2 U.S.C. § 441d(d)(2) and 11 C.F.R. § 110.11(c)(4).

Count III

56. CHGO was a political committee in 2010, but failed to register as one with the FEC.

57. CHGO made expenditures expressly advocating the election or defeat of candidates aggregating in excess of \$1,000 during 2010.

58. As demonstrated by its extensive spending on federal campaign activity, CHGO’s major purpose in 2010 was the nomination or election of federal candidates.

59. Between September 25 and November 2, 2010, CHGO spent \$2,314,000 on air time to broadcast for television advertisements that were either independent expenditures or electioneering communications in 12 elections for seats in the House of Representatives. This \$2,314,000 is approximately 53 percent of the total of \$4,319,825 CHGO paid to Meridian Strategies for all media placement.

60. On information and belief, CHGO also paid for the production of the advertisements that were either independent expenditures or electioneering communications. CHGO reported paying Median Strategies \$275,000 for "media production." Assuming CHGO's media production costs were divided in the same ratio as its media placement expenses, CHGO spent approximately \$145,000 on media production costs for its advertisements related to the nomination or election of federal candidates.

61. Added together, CHGO's spending on air time for its advertisements related to the nomination or election of federal candidates (\$2,314,000) and its likely media production spending for those ads (\$145,000) equals \$2,459,000. CHGO reported on its tax return spending a total of \$4,770,000 on all activities in 2010, making activity related to the nomination or election of federal candidates 51.5 percent of its total spending.

62. CHGO also paid Mr. Canfield \$50,000 for legal services and Mr. Powell \$20,000 for management services. On information and belief, some of their activities were related to the advertisements that were either independent expenditures or electioneering communications. Accordingly, the portion of CHGO's total expenditures spent on activities related to the nomination or election of federal candidates is even higher than 51.5 percent.

63. CHGO may have spent more money on federal campaign activities. CHGO reported paying Meridian Strategies \$105,175 for "advertising and technology." Some of this amount may have been related to CHGO's advertisements that were either independent expenditures or electioneering communications. In addition, CHGO may have paid to air these or similar political ads on local cable networks, but CMAG does not track these broadcasts.

64. CHGO's spending on federal campaign activity constituted at least half of its total expenditures for 2010, making the nomination or election of federal candidates its major purpose.

65. CHGO is not, and has never been, a registered political committee with the FEC.

66. By failing to register as a political committee, CHGO violated 2 U.S.C. § 433(a) and 11 C.F.R. § 102.1(d).

Count IV

67. As a political committee, CHGO was required to file periodic reports with the FEC that, among other things: (1) identified all individuals who contributed an aggregate of more than \$200 in a year to CHGO and the amount individual each contributed; (2) identified all political committees that made a contribution to CHGO and the amount each committee contributed; (3) detailed CHGO's outstanding debts and obligations; and (4) listed all of CHGO's expenditures.

68. CHGO failed to file any of these reports with the FEC.

69. By failing to file these reports, CHGO violated 2 U.S.C. § 434(a)(4) and 11 C.F.R. § 104.1(a).

Conclusion

WHEREFORE, Citizens for Responsibility and Ethics in Washington and Melanie Sloan request that the FEC conduct an investigation into these allegations, declare the respondent to have violated the FECA and applicable FEC regulations, impose sanctions appropriate to these violations and take such further action as may be appropriate, including referring this case to the Department of Justice for criminal prosecution.



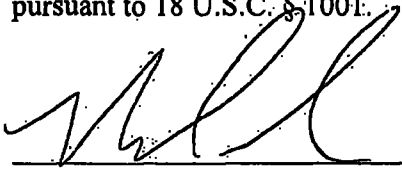
ON BEHALF OF COMPLAINANTS

Melanie Sloan
Executive Director
Citizens for Responsibility and Ethics in
Washington
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(202) 408-5565 (phone)
(202) 588-5020 (fax)

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Verification

Citizens for Responsibility and Ethics in Washington and Melanie Sloan hereby verify that the statements made in the attached Complaint are, upon information and belief, true. Sworn pursuant to 18 U.S.C. § 1001.



Melanie Sloan

Sworn to and subscribed before me this 26th day of April, 2012.



Notary Public

Lisa Drew
District of Columbia, Notary Public
My Commission Expires
July 31, 2014

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning and ending

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization
COMMISSION ON HOPE, GROWTH & OPPORTUNITY
 Doing Business As **THE COMMISSION**
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1900 M STREET, NW 600
 City or town, state or country, and ZIP + 4
WASHINGTON, DC 20036

D Employer identification number
27-1920168

E Telephone number
202-530-3332

G Gross receipts \$ **4,801,000.**

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status: 501(c)(3) 501(c) (4) (Insert no.) 4947(a)(1) or 527

J Website: ▶ **WWW.HOPEGROWTHOPPORTUNITY.COM**

K Form of organization: Corporation Trust Association Other ▶

L Year of formation: **2010** **M** State of legal domicile: **DC**

Part I Summary

1 Briefly describe the organization's mission or most significant activities: THE COMMISSION BELIEVES AND INTENDS TO INFORM THE AMERICAN PUBLIC THAT ECONOMIC EXPANSION IS	
2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
3 Number of voting members of the governing body (Part VI, line 1a)	3
4 Number of independent voting members of the governing body (Part VI, line 1b)	4
5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5
6 Total number of volunteers (estimate if necessary)	6
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a 0.
7b Net unrelated business taxable income from Form 990-T, line 34	7b 0.
Revenue	
8 Contributions and grants (Part VIII, line 1h)	4,801,000.
9 Program service revenue (Part VIII, line 2g)	0.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0.
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,801,000.
Expenses	
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.
14 Benefits paid to or for members (Part IX, column (A), line 4)	0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.
16a Professional fundraising fees (Part IX, column (A), line 11e)	0.
b Total fundraising expenses (Part IX, column (D), line 25)	0.
17 Other expenses (Part IX, column (A), lines 11a-1d, 11f-24)	4,770,000.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	4,770,000.
19 Revenue less expenses. Subtract line 18 from line 12	31,000.
Net Assets or Fund Balances	
20 Total assets (Part X, line 16)	51,000.
21 Total liabilities (Part X, line 26)	20,000.
22 Net assets or fund balances. Subtract line 21 from line 20	31,000.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here: *William S. Canfield III*
 Signature of officer: **William S. Canfield III**
 Date: **11/14/11**
 Type or print name and title: **GENERAL COUNSEL**

Paid Preparer Use Only:
 Print/Type preparer's name: **JAMES D. WARRING, CPA**
 Preparer's signature: *[Signature]*
 Date: **11/11/2011**
 Firm's name: **WARRING & COMPANY, LLC, CPAs**
 Firm's address: **16528 EMORY LN, SUITE 300 ROCKVILLE, MD 20853-1228**
 Phone no.: **301-260-0809**

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

032001 02-22-11 LHA For Paperwork Reduction Act Notice, see the separate instructions. Form 990 (2010)

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

WCS 15

SCANNED DEC 21 2011

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

X

1 Briefly describe the organization's mission:

THE COMMISSION WILL SHARE ITS RESEARCH AND FINDINGS WITH PUBLIC POLICY FORMULATORS AND WILL ENCOURAGE ITS SUPPORTERS TO COMMUNICATE THEIR VIEWS ON THE ISSUES OF CONSEQUENCE TO THE COMMISSION DIRECTLY WITH POLICY MAKERS AT ALL LEVELS OF GOVERNMENT. THE COMMISSION WILL SEEK

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes No X

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes No X

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses.

Section 501(c)(3) and 501(c)(4) organizations and section 4947(e)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

N/A

4b (Code:) (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

N/A

4c (Code:) (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

N/A

4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses

UNCONFIDENTIAL

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		X
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in trust, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI		X
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX		X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 8 and 11e? If "Yes," complete Schedule G, Part I		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 8a? If "Yes," complete Schedule G, Part III		X
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

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Part IV: Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

X

Table with columns for question number, sub-question, and Yes/No responses. Includes questions 1a-14b regarding Form 1096, Form W-2G, unrelated business income, foreign accounts, prohibited tax shelter transactions, and 501(c)(7), (12), and (29) organizations.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI X

Section A. Governing Body and Management

	1a	1b	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	0			
b Enter the number of voting members included in line 1a, above, who are independent		0		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?				X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?				X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?				X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?				X
6 Does the organization have members or stockholders?				X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?				X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?				X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a The governing body?				X
b Each committee with authority to act on behalf of the governing body?				X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O				X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13		X
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?		
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done		
13 Does the organization have a written whistleblower policy?		X
14 Does the organization have a written document retention and destruction policy?		X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official		X
b Other officers or key employees of the organization		X
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed **NONE**
- 18 Section 8104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **STEVEN POWELL - 202-530-3332**
1900 M STREET, WASHINGTON, DC 20036

Part X Balance Sheet

		(A) Beginning of year	(B) End of year
Assets	1 Cash - non-interest-bearing	1	51,000.
	2 Savings and temporary cash investments	2	
	3 Pledges and grants receivable, net	3	
	4 Accounts receivable, net	4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)	6	
	7 Notes and loans receivable, net	7	
	8 Inventories for sale or use	8	
	9 Prepaid expenses and deferred charges	9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	
	b Less: accumulated depreciation	10b	10c
	11 Investments - publicly traded securities	11	
	12 Investments - other securities. See Part IV, line 11	12	
	13 Investments - program-related. See Part IV, line 11	13	
	14 Intangible assets	14	
	15 Other assets. See Part IV, line 11	15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	0. 16	51,000.	
Liabilities	17 Accounts payable and accrued expenses	17	20,000.
	18 Grants payable	18	
	19 Deferred revenue	19	
	20 Tax-exempt bond liabilities	20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	22	
	23 Secured mortgages and notes payable to unrelated third parties	23	
	24 Unsecured notes and loans payable to unrelated third parties	24	
25 Other liabilities. Complete Part X of Schedule D	25		
26 Total liabilities. Add lines 17 through 25	0. 26	20,000.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets	27	
	28 Temporarily restricted net assets	28	
	29 Permanently restricted net assets	29	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.		
	30 Capital stock or trust principal, or current funds	0. 30	0.
	31 Paid-in or capital surplus, or land, building, or equipment fund	0. 31	0.
	32 Retained earnings, endowment, accumulated income, or other funds	0. 32	31,000.
33 Total net assets or fund balances	0. 33	31,000.	
34 Total liabilities and net assets/fund balances	0. 34	51,000.	

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Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	4,801,000.
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,770,000.
3	Revenue less expenses. Subtract line 2 from line 1	3	31,000.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	0.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	31,000.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b Were the organization's financial statements audited by an independent accountant?		X
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

UNION COUNTY SOUTH