

JULY 2018

SUMMARY REPORT

A REPORT FOR THE PEOPLE OF MISSOURI

# MISSOURI DARK MONEY

## SUMMARY REPORT

PREPARED BY  
ELAD GROSS

# A NEW MISSOURI, INC.

A New Missouri, Inc. is the dark money 501(c)(4) nonprofit organization connected to former Missouri Governor Eric Greitens. The organization is run by his former campaign staff.

## DARK MONEY GENERALLY REFERS TO SECRETIVE DONATIONS THAT AFFECT OUR POLITICAL SYSTEM.



501(c)(3) service nonprofits cannot participate in much political activity.



A campaign cannot hide its donors.



501(c)(4)s can do both.

## OUT-OF-STATE DARK MONEY ORGANIZERS



### NICK AYERS

Chief of Staff to Vice President Mike Pence,  
Consultant to A New Missouri, Inc.

Ayers and his political companies made over \$23 million from the Greitens campaign and Missouri dark money operations. The Greitens campaign raised \$32 million.



### MICHAEL G. ADAMS

DC Attorney and Candidate for Kentucky  
Secretary of State

Adams incorporated A New Missouri, Inc. and is its treasurer, overseeing the flow of millions of dollars into Missouri to influence state policy. He also represented Eric Greitens despite not having a law license in Missouri. Adams' law firm has collected over \$80,000 in Missouri.

Ayers and Adams have worked at the Republican Governors Association, a dark money organization that donated \$13 million to Eric Greitens. They currently work together on Vice President Mike Pence's PAC.

# HOW TO LAUNDER POLITICAL DONATIONS TO HIDE DONORS USING DARK MONEY

## TRANSPARENCY



A donor gives money to a 501(c)(4) nonprofit organization for the purposes of influencing government and is fine with everyone knowing. This is called a "contribution."



The 501(c)(4) spends the "contribution" to influence government.

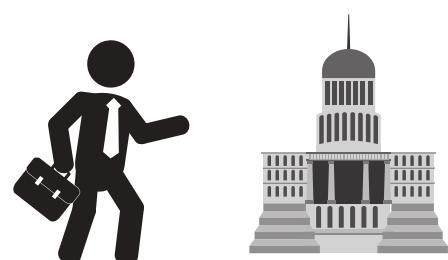


The public can see all of this activity online.

## DARK MONEY



A donor gives money to a 501(c)(4) nonprofit organization but wants to be anonymous, so the donor gives the money for whatever the organization wants. This is called a "donation."



The 501(c)(4) spends the "donation" to influence government.



The public can only see certain expenditures, but often sees nothing.

# WHERE DOES THE MONEY GO?

According to the IRS, A New Missouri, Inc. has not filed any tax returns.

A New Missouri, Inc. solicits donations in Missouri. It has spent at least \$2 million dollars on two committees regulated by the Missouri Ethics Commission: Missourians For Worker Freedom and Freedom To Work. These committees are organized to support passing Right to Work in Missouri. They appear to be "burner committees"; one committee receives contributions and spends money for a few months, and then another one takes over while the previous one becomes less active.

Despite A New Missouri, Inc.'s large expenditures supporting a ballot initiative, A New Missouri, Inc. is not registered with the Missouri Ethics Commission and does not disclose its donors. A New Missouri, Inc. spends more money on other activities, but those expenditures are not disclosed either.

## CONTRIBUTIONS

### Missourians for Worker Freedom

received

# \$350,000

(July 17, 2017 - Aug. 7, 2017)

### Freedom to Work

received

# \$1,650,000

(Dec. 20, 2017 - May 9, 2018)

### Missourians for Freedom to Work

received

# Report Pending

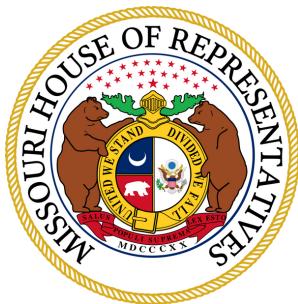
(May 18, 2018 - Present)

The burner committees spend their money. Some of the money has gone to one of A New Missouri, Inc.'s board member's law firm. Much more of the money has gone to the law firm of Todd Graves, the head of the Missouri Republican Party. And a large amount of money has gone to companies owned by or connected to Nick Ayers.

# NO ONE IS WATCHING DARK MONEY



The Missouri Ethics Commission regulates people and groups involved in political activity, but not organizations that take in general "donations" rather than political "contributions." A New Missouri, Inc. avoids MEC regulation and having to publicly disclose their donors through dark money laundering.



The Missouri House of Representatives subpoenaed records from A New Missouri, Inc., while investigating Governor Greitens, but, when the governor resigned, the House committee determined it lost jurisdiction and legal authority to investigate.



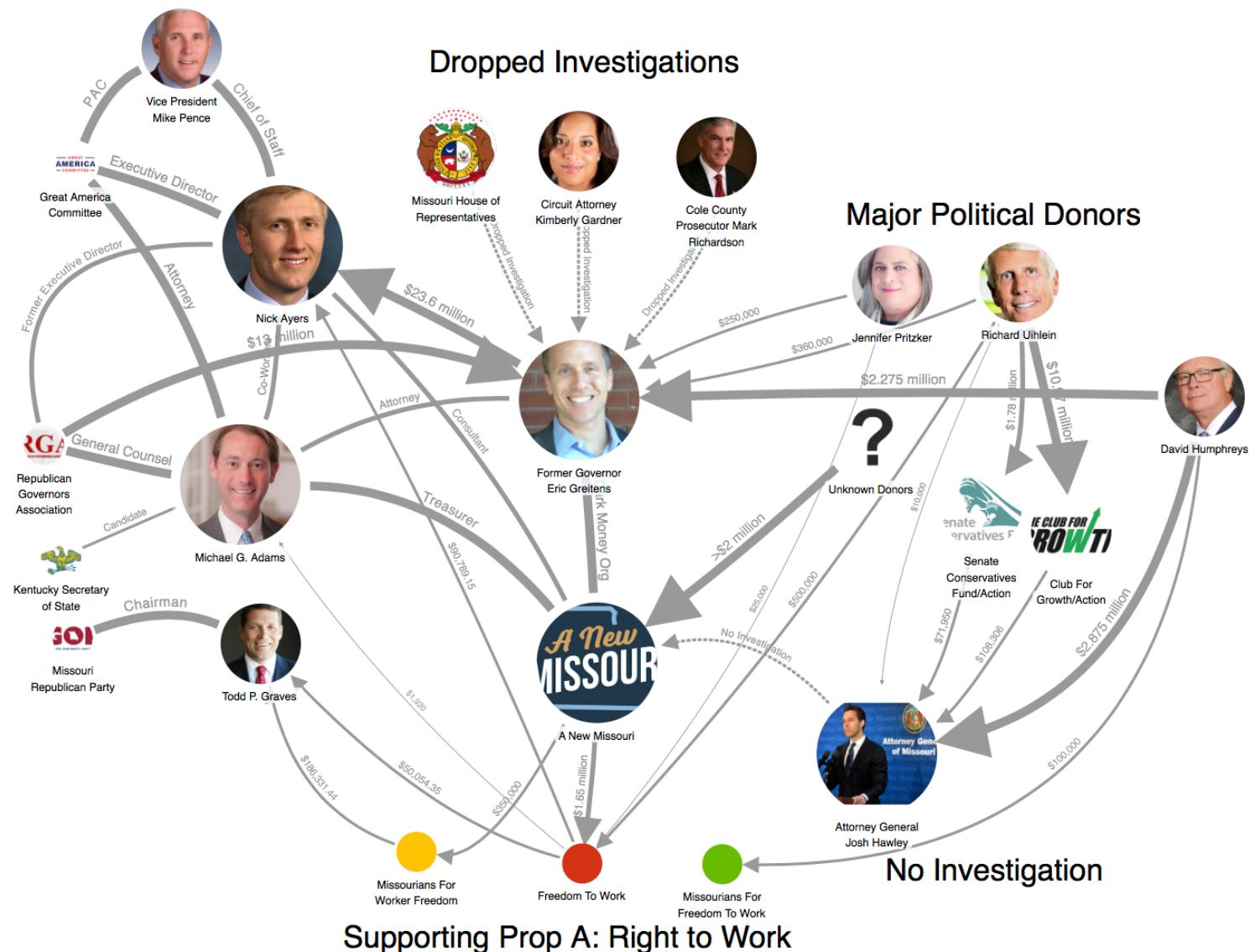
Cole County Prosecutor Mark Richardson and St. Louis Circuit Attorney Kim Gardner both dropped investigations into wrongdoing by former Governor Greitens that may have touched on his campaign and dark money operations.



Attorney General Josh Hawley is charged with investigating nonprofit organizations in Missouri, but he has declined to do so when it comes to A New Missouri, Inc. His office is not investigating 501(c)(4) organizations, and he has not referred A New Missouri, Inc. for investigation to the MEC. The Attorney General also seems to not be maintaining a readily available list of 501(c)(4) organizations as required under Missouri's consumer protection laws.

# MISSOURI COMPROMISED

Dark money has left Missourians with a web of political donations, millions of hidden dollars invading the state, and no accountability.



The connections between political donors, dark money operations, and elected officials indicate a potential national scheme to pass a Right to Work law in Missouri and avoid a disruptive investigation.

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WHY IS

# DARK MONEY IMPORTANT?

Dark money is used to influence governments, laws, and policies without disclosing who is providing the money. And like in the case of A New Missouri, Inc., dark money organizations operate without revealing how they spend their money.

When government officials are beholden to hidden interests, people with less money and power get less attention. When our government serves powerful people who hide their identities, we get failing schools in poor neighborhoods, hospital shutdowns in rural Missouri, crumbling roads, healthcare for some, opportunity for the wealthy and the lucky, and far too many people who stop participating in making Missouri better because hope is a distant, faded feeling.

Dark money can radically change a government's focus from the people it represents to the powerful paying for campaigns.

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**THE USE OF DARK MONEY HAS  
COMPROMISED MISSOURI. IT'S UP TO  
MISSOURIANS TO FIX IT.**



# WHAT YOU CAN DO

Dark money avoids transparency, and it is most effective when no one pays attention. You can help just by getting involved and making your voice heard. There is nothing more powerful than a united, determined people.

You can demand change from our elected officials.

Find your elected representatives at:

[http://www.senate.mo.gov/LegisLookup/default.aspx/leg\\_lookup.aspx](http://www.senate.mo.gov/LegisLookup/default.aspx/leg_lookup.aspx)

Ask Attorney General Josh Hawley to investigate A New Missouri, Inc. at 573-751-3321.

And if you want to get involved in reforming Missouri government, sign up at [www.NoMODarkMoney.org](http://www.NoMODarkMoney.org).

## ABOUT THIS REPORT

This report was written by Elad Gross, a constitutional attorney and former Assistant Attorney General of Missouri. He began investigating dark money in Missouri in 2017.

Several volunteers helped design and edit the final report. These volunteers, from different backgrounds and with different perspectives, gave many hours to help Missourians see the impact dark money is having on their state. No one was paid for any of the time they spent on this report.

Their work stands as a testament to what Missourians can do when they work together.

We hope that our work inspires others to get even more involved in making Missouri better.