

Rivers of Darkness

Some Beltway crocodiles are doing better than ever, thanks.

By Dave Skinner

For a number of years now, *RANGE* has covered the doings of a number of anonymously funded “nonprofit” entities active in the American West. One in particular is the most interesting at least in part because it’s the best funded—the New Venture Fund based in Washington, D.C., which as *RANGE* last reported enjoyed over \$358 million in 2017 income.

Today NVF is more, so much more that mainstream media outlets such as the *Washington Post* and *New York Times* have “discovered” New Venture’s dark-money empire and its efforts to create a disinformed electorate.

Astroturf

RANGE last covered one tiny component of NVF’s multifaceted political smoke machine, the generically-but-cleverly-named Western Values Project (WVP), created in 2015 to laud Obama administration policies such as unilateral national monument designations.

Headquartered in a UPS Store box in Whitefish, Mont., the hometown of Congressman-then-Interior Secretary Ryan Zinke, this self-described “non-profit ethics watchdog” is textbook Astroturf, an exemplar of how the dark-money spin game plays the press and voters.

Using a Freedom of Information Act request and open public records to find “dirt,” then file “whistleblower” complaints and shotgun out press releases about same, the mission of WVP (and other similar Astroturf operations) is simple: generate “free media” negative news coverage against any and all political and private opponents.

As hometown “watchdog,” WVP aimed primarily at making life miserable for Ryan Zinke, who eventually caved, resigned, and departed public life. With Zinke disposed of, WVP has now moved on to reputational attacks on current Interior Secretary David Bernhardt, with its latest stunt at press time being to hire a mobile billboard truck to drive around D.C. alleging that Bernhardt is “corrupt and corrupter.”

Might anyone notice? A few, but it’s a safe bet that any press coverage won’t notice WVP is completely in the pocket (and wallet) of New Venture, same as reporters seem unable to peek behind the curtain of another NVF creation active in public lands’ political spin.

The Unaccountable Campaigners

In June 2019, Montana “news” reported that Washington, D.C.-based Campaign for Accountability (CfA, reported as an “ethics watchdog” group by PBS) filed a complaint with the Internal Revenue Service against Citizens for Balanced Use, a small, pro-motor-

ber of CBU, a group with \$128,000 total income and no paid staff.)

Why would a Beltway nonprofit go after a Montana politician? Simple. White is a total multiple-use supporter, an ally of property rights and resource production to the core, and sponsor of passed legislation loathed by greens. And a friend of Ryan Zinke.

CfA’s allegation was unreported lobbying. In response, White told *RANGE* he was neither surprised nor concerned, just annoyed: “It’s just more cheap news faking by CfA, Western Values and the New Venture machine. Any westerner, politician or not,

who dares stand up for multiple use, for resource producers, against the lock-it-all-up-forever environmentalists, like Mike Noel [Utah], Ryan Zinke, now [Secretary David] Bernhardt, and I guess little old me and CBU—they’re targets to be harassed. I, and the other unpaid board members of CBU, am honored to be in such good company.”

Interestingly, PBS also quoted staff from “watchdog organization” Western Values, reporting, “his group notified Campaign for Accountability about CBU.” Coincidence? Nope. New Venture? Not mentioned in any coverage by any outlet.

Good Company

The company White keeps improved in September, when news came that U.S. Rep. Devin Nunes (R-Tulare, Calif.) is suing Twitter for \$250 million over an anonymous Twitter feed called “Devin Nunes’ cow” or @DevinCow, created in August 2017 and active all through the 2018 election season, going dormant after Nunes expensively won. But buried in the cow coverage was mention of another federal lawsuit Nunes filed, against Fusion GPS (the Steele “salacious Trump dossier” people) and Campaign for Accountability, this time for \$9.9 million.

Fusion GPS is pretty big-time, having basically spawned “Russiagate,” the Mueller report, impeachment, and the Horowitz investigation of the FBI’s investigations—with the inspector general’s report being noted by



RANGE editor C.J. Hadley visited Washington, D.C., during Veteran’s Day week, taking 20 minutes to do the boot-leather journalism local or national Beltway reporters should have done, but have not. A small rental box in this UPS Store serves as “Suite 337,” headquarters-of-record for Campaign for Accountability.

ized access 501(c)(3) group run by Bozeman’s Republican state representative, Kerry White. (Disclosure: This writer and Rep. White are both off-road motorcycle enthusiasts, friends since at least 2002. The writer is also a mem-

Wall Street Journal writer Kimberley Strassel as a “triumph” for Rep. Nunes, “who first blew the whistle on [Foreign Intelligence Surveillance Act warrant] abuse” by the FBI.

Campaign for Accountability? Well, from the Nunes complaint: “CfA engaged Fusion GPS as an ‘independent contractor’ in 2018 and paid Fusion GPS \$138,684 for unspecified ‘research,’” verified on page eight of CfA’s 2018 tax return. CfA then used that research to file “three ethics complaints against Nunes, one in January 2018 accusing the Republican of leaking information on Fusion GPS.” Keep in mind that that “leak” eventually led to the general public’s learning the Clinton campaign had paid for the discredited Steele dossier. CfA’s concern in its complaint was that unspecified somethings are “likely to retaliate against Fusion for its role in investigating President Trump’s and the Trump campaign’s ties to Russia” and “deter” Fusion “from engaging in any continued investigation.”

Now, how does a tiny unknown like CfA hire a big famous outfit like Fusion? Because baby crocodile CfA, just like Western Values, was spawned by mighty New Venture Fund and its allied network. And the purpose of all this? We’ll let Congressman Nunes’ federal court complaint explain: Nunes alleges that Fusion GPS engaged in “Astroturfing,” an “attempt to create an impression of widespread grassroots support for a position, where no such support actually exists.” Astroturfers use “multiple ‘cut-outs,’ online identities and fake pressure groups to mislead the public,” as happened when CfA first “hired” Fusion for “research,” and then later filed a complaint against Rep. Nunes on behalf of Fusion.

Do fake mailbox headquarters count as Astroturf?

As things are, Campaign for Accountability and Western Values Project are just a tiny part of the New Venture nonprofit empire, which has grown unabated—and mostly unreported. Also unreported is the fact that New Venture is part of another empire, Arabella Philanthropic Advisors, which controls New Venture. But the lack of reportage might be over, either by reason of Nunes’ litigation, or New Venture’s shocking funding levels and skyrocketing growth rate (see “Rivers of Cash” sidebar, page 27).

Hiding the Big Bucks in Plain Sight

A casual scan of the \$633 million these four “nonprofits” blew through in 2018 is impressive on its face, but the details are even more amazing. For instance, NVF subsidiary

Hopewell Fund officially reported a \$64.6 million decline in funding for 2018. The reality:

SCHEDULE A, PART II, LINE 1:
THE ORGANIZATION RECEIVED AN UNUSUAL GRANT, UNDER REGULATION SECTION 1.509(A)-3(C)(4), IN THE AMOUNT OF \$100,000,000 DURING THE TAX YEAR,
AND IS THEREFORE EXCLUDED FROM SCHEDULE A, PART II, LINE 1.

Did some billionaire croak and bequeath the dough? You, peasant, are not to question charity. Hopewell also landed another gift of \$28.8 million, with the donor identified only as a “person.”

Just from random skating around 2018

And there was a *lot* of washing at Sixteen Thirty. In summer 2018, reporter Scott Bland of *Politico* (where many staffers are former *Washington Post*) wrote, “*Liberal secret-money network hammers House GOP.*” What group? The Sixteen Thirty Fund. Bland writes that to create Ohioans for Economic Opportunity, a “veteran of Democratic political campaigns” worked his “network of contacts, eventually connecting with the Sixteen Thirty Fund and its donors. Eric Kessler, a former staffer in the Clinton administration, is president of the organization. Its



This glossy Capitol Hill eatery fronts 660 Pennsylvania Avenue, across the street and a half block from Campaign for Accountability’s Suite 337.” After inquiring inside, editor Hadley was directed around the end of the building to a discreet, electronically secured side entrance not visible from Pennsylvania Avenue.

tax returns, records show “charity” Hopewell gave \$2.05 million to “social welfare” Sixteen Thirty in 2018. Perfectly legal. Hopewell also transferred \$2.5 million to Windward Fund. And six-figure amounts went the other direction from and to all four, with sources and recipients known only to Arabella staff.

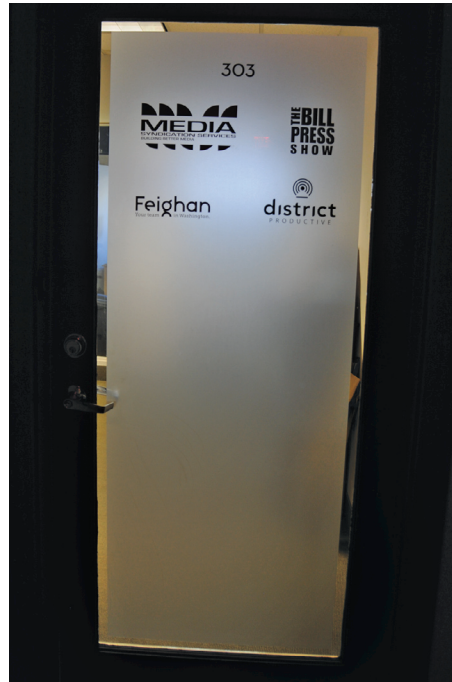
What about Sixteen Thirty’s \$60 million jump, opposite of Hopewell? Oh, kids, 2018 is an election year, and Sixteen Thirty is political, a 501(c)(4) social welfare entity, to New Venture like the League of Conservation Voters (c4) is to the League of Conservation Voters Education Fund (c3). LCVEF gets most league money, gives donors a nice charity tax break, then shuffles the exempted cash to LCV’s political side. Similar shuffling—basically political but oh-so-legal money-laundering—goes on throughout all these Arabella-run entities.

board includes several other current and former Democratic political operatives.”

The issue? Health care and taxes, using a vast number of generically named fronts to buy TV ads in targeted districts. In mid-2018, the “number” was only \$4.6 million so far.

What was really going on? The best explanation comes from *New York Times* reporting on yet another scantily covered New Venture political operation run by “Arkadi Gerney, a former political strategist for the liberal Center for American Progress,” the so-called Hub Project: “Tiffany Muller, the president of End Citizens United, a Democratic group that supports stricter campaign finance regulation, said dark-money contributions were largely unpopular with voters. But she acknowledged that groups with ‘really innocuous-sounding names, like Americans for a Better America,’ could leave a lasting mark with voters in part because they

PHOTOS © C.J. HADLEY



PHOTOS © C.J. HADLEY

The side entrance to 660 Pennsylvania Avenue is subtle, to say the least. After exercising some reportorial wiles to get past the locks, editor Hadley was greeted by this beautifully frosted executive office door (yours for only \$70/sf/year, meaning CfA rents 381 square feet). Inside are offices and a podcasting studio used by three of the named firms, Media, Bill Press and District, when not being rented out to others. In turn, the most recent work collaboration of this trio is the Asset Podcast/Website, purporting to tell how, “In 2016, Donald Trump conspired with a foreign government to

become president.” The Asset production is a partnership of “Center for American Progress Action Fund, Media Syndication Services, and Protect the Investigation.” Any connection to CfA or New Venture? Well, yeah. First, Open Corporates shows that Protect the Investigation is one of 48 “trading names” operated by the Sixteen Thirty Fund in its 2018 blitz. Second, another trading name on Sixteen’s list is Western Values Project Action Fund. Third, both Center for American Progress (founder, John Podesta) and New Venture (founder, Eric Kessler) have enjoyed millions from Swiss billionaire Hans Wyss. Small world.

are perceived as independent from candidates.”

Ms. Muller said of voters: “They really dislike dark money and any type of political spending.” At the same time, she noted, research suggests “voters trust outside-group ads more than they trust candidate ads.”

Miraculously, in late November 2019 (when the IRS Form 990 for Sixteen Thirty was legally required to be publicly available), Scott Bland of *Politico* followed up. This time he reported, among many other things, that “Demand Justice, the courts-focused group helmed by former Hillary Clinton press secretary Brian Fallon, also ran out of Sixteen Thirty Fund. Demand Justice spent millions of dollars on TV ads as Democrats tried to prevent Brett Kavanaugh from being confirmed to the Supreme Court in 2018.”

But the big bombshell in Bland’s report was so many millions (\$143 million), from so few. Sixteen Thirty scored “several strikingly large contributions: One donor gave the group \$51,705,000; a second gave \$26,747,561; and a third gave \$10,000,000. And the Hub Project disclosed three of its donors in 2017: Seattle venture capitalist Nick Hanauer; the union American Federation of Teachers; and the Wyss Foundation, founded by businessman and environmentalist Hansjörg Wyss.”

That guy? The Swiss-national \$11-billionaire who gave Arabella Advisers founder and owner Eric Kessler his first half-million in

seed money to get the Arabella Legacy Fund (now New Venture) off the ground in 2006?

Bland’s work stirred the *Washington Post*

What about New Venture? Well, it has a rack full of huge, unknown donors, with the biggest giving a whacking \$62 million.

Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.		
(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
	\$ 62,681,050.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

editorial board to belabor the long-obvious, that nonprofit protections against donor disclosure have “been hijacked by big campaign donors who want to have impact but hide their identity.”

About Sixteen Thirty’s three multi-megadonors, the *Washington Post* harrumphed: “Who are these donors? The public will not find out.” At least not from the *Washington Post*. But little old RANGE knows who gave the \$26.7 million, at least:

SIXTEEN THIRTY FUND 1201 CONNECTICUT AVE NW WASHINGTON, DC 20036	26-4486735	991(C)(4)	26,747,561.	0.	CAPACITY BUILDING
------------------------------------------------------------------------	------------	-----------	-------------	----	-------------------

You’re very welcome. And, in case you’re curious, RANGE can also report where some of the Sixteen Thirty cash went: to America Votes, \$27.15 million; and, sure enough, League of Conservation Voters, \$8 million.

Who? Well, it was a person. Nine “persons,” all unidentified, gave New Venture roughly \$200 million in 2018. Keep in mind this redacted donor list cuts off at \$8.5 million, with this flood of anonymous cash flowing right under the snotty muzzles of the watchdog media.

The *Washington Post* editorial board did get something right: “Pity the voters, bombarded with social media posts, news accounts and advertising from all kinds of

faceless and unaccountable sources. It is time for Congress to change the law and force social welfare groups to identify their donors in full. Society will be better for it and voters less confused and misled.” ■

Rivers of Cash

*Hiding money and people
doesn't always work.*

By Dave Skinner

Upon Information and Belief

Congressman Nunes' complaint against Fusion GPS mentions CfA host New Venture only in passing, "upon information and belief, CfA's donors include the left-wing funding/incubation nonprofit, New Venture Fund."

Black's Law Dictionary defines information and belief statements as being based on "secondhand information that the declarant believes is true," but in the case of CfA, public records verify everything.

Unlike WVP, which has no corporate "life" of its own, CfA got 501(c)(3) "nonprofit" status from the Internal Revenue Service in 2017. Its mission? "Millions of Americans lives are negatively impacted by decisions made behind the doors of corporate boardrooms, government offices, and shadowy nonprofit groups. CfA works on behalf of the public interest in order to expose corruption, negligence and unethical behavior wherever it may occur." Noble in theory, but in practice?

CfA began 2017 \$35,845 in the hole, ending with \$528,024 (\$429,000 being cash) after spending \$433,726. Good first year, with "contribution" income of \$994,811. Occupancy (office rent) came to \$26,699 (\$2,225 a month).

CfA bases its nonprofit status on "substantial support" from either government or "the general public," but that's not true. Of its 2017 income, \$910,331 came from unidentified "excess donors" who gave over two percent of total income. Who? *RANGE* took a wild, wild guess, and here's a snip from page 158 (of 431) in NVF's 2017 Form 990:

CAMPAIGN FOR
ACCOUNTABILITY
660 PENNSYLVANIA AVE SE
STE 303
WASHINGTON, DC 20003

81-4080431

501(C)(3)

850,000

That \$850,000 is 85 percent of CfA's income, in just one check. The other excess donor for 2017, from federal filings *RANGE* fell across in a fit of dumb, blind luck, was the American Federation of State, County and Municipal Employees: \$90,000 for "political program support," leaving only

\$84,500 to come from the public.

In 2018, New Venture wrote another beautiful check to CfA: \$425,000, 33 percent of \$1.27 million. AFSCE came in with another \$50,000. However, cross-referencing the two years to fill in some big blanks (deliberate, of course) shows CfA got another \$709,394 from other unidentifiable excess donors.

Oddly, New Venture's tax returns reveal a new CfA "headquarters": 660 Pennsylvania, Suite 303, across the street from CfA's UPS

Entity	2018	2017	2018 Fees to Arabella Advisors
New Venture	\$405 million	\$358 million	\$18.9 million
Hopewell Fund	\$66 million	\$130.6 million	\$3.8 million
Sixteen Thirty	\$143 million	\$79.3 million	\$3.4 million
Windward Fund	\$18.7 million	\$12.6 million	\$1.037 million
Totals:	\$633 million	\$580 million	\$27 million

**Eric Kessler says Arabella
"has a whole bunch of
foundations with assets
between about \$30 million
and \$300 million whose
address is my office."**

store "Suite 337" address of legal record.

What about that? Well, in November *RANGE* editor C.J. Hadley visited Washington, D.C., and with a few spare minutes, hired a cab and checked out both locations. CfA's official headquarters is a two-story building, and Suite 337 is not a two-grand-a-month office. So exactly like Western Values in Montana, the public address for CfA's "ethics

990s for several components of the New Venture organization became publicly available—nearly a full year after funds were received and spent. Overall, 2018 saw impressive gains in New Venture throughput, and of course the administrative fees charged by Arabella Philanthropic Advisors.

Sweet! Keep in mind many other entities pay fees to Arabella. A *Worth* magazine interview with Arabella Advisers founder Eric Kessler by former CNN personality Soledad O'Brien reveals that with 160 staffers, "several

hundred clients and billions of dollars under advisement, Arabella is the largest philanthropy consulting company in the U.S." Kessler directly revealed he has "a whole bunch of foundations with assets between about \$30 million and \$300 million whose address is my office. We are their executive director, their program officer, their grant manager." Declarations about conflicts of interest in multiple Form 990 filings indicate Kessler owns "over 35 percent" of Arabella.

Further Reading

Last April, multiple conservative Beltway news organizations summarized a report: "Big Money in Dark Shadows." Written by Hayden Ludwig of the Capital Research Center, a conservative Beltway think tank that analyzes progressive-movement finance, "Big Money" is a 30-page white paper, with 118 live-linked footnotes. The subject? "Arabella Advisors' Half-billion-dollar Dark Money Network." For some reason, "Big Money's" release was totally ignored by "mainstream" news media—probably because it is honestly solid work that puts "journalists" to utter shame. Highly recommended. Copy the title into your Google window, then download the PDF and it's yours. ■

Dave Skinner would like to get some of these big fat checks for himself. Imagine what he could do with them! (Note from editor: Don't forget RANGE.)

Rivers of Cash

At the end of November 2019, the IRS Form