

U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

June 20, 2023

Mr. Gene Karpinski
President
League of Conservation Voters
740 15th Street NW, 7th Floor
Washington, DC 20005

Dear Mr. Karpinski:

The House Committee on Natural Resources (the “Committee”) is currently conducting oversight of potential manipulation of U.S. tax-exempt organizations by foreign individuals and/or entities with an eye toward influencing America’s environmental, natural resources, and energy policies. A thorough review of publicly available information has made the Committee deeply concerned with the fundraising, lobbying, and political activities of the League of Conservation Voters, Inc. (“LCV”) and its related entities, including, but not limited to, League of Conservation Voters Education Fund (“LCVEF”), League of Conservation Voters Action Fund (“LCVAF”), and League of Conservation Voters Victory Fund (“LCVVF”) (collectively, LCV, LCVEF, LCVAF, and LCVVF are the “LCV Entities”). The Committee is particularly concerned with potential connections between the LCV Entities and foreign interests.

As you are aware, LCV regularly engages in extensive litigation, lobbying, and campaign activities aimed at limiting America’s domestic energy production, particularly as it relates to oil and gas production on federal lands. For example, in 2017, LCV sued the Trump administration to prohibit oil and gas leasing on federal lands and waters.¹ More recently, LCV claims to have engaged in a “a massive 18-month long nationwide advocacy and organizing campaign” that was “integral” to getting the Inflation Reduction Act (the “IRA”) – described by LCV as the “strongest-ever climate” bill – passed into law.²

While these activities alone may be cause for disagreement, but not concern, the Committee is concerned with LCV’s funding arrangements and potential funding by foreign nationals.

¹ Complaint, *League of Conservation Voters v. Trump*, 3:17-cv-00101, (D. Alaska May 3, 2017), http://climatecasechart.com/wp-content/uploads/sites/16/case-documents/2017/20170503_docket-317-cv-00101_complaint-1.pdf.

² Pete Maysmith, *How LCV helped secure 2022 climate and democracy victories*, LEAGUE OF CONSERVATION VOTERS (Dec. 19, 2022), <https://www.lcv.org/media-center/end-of-year-memo-how-lcv-helped-secure-2022-climate-and-democracy-victories/>.

In 2021, the most recent available report online, LCV reported a total of \$114,651,263 in contributions and grants.³ According to records obtained by Americans for Public Trust, a nonprofit government watchdog organization, the majority of these funds can be tracked to the Arabella Advisors and its network of funds including the Sixteen Thirty Fund.⁴ The New York Times describes the Sixteen Thirty Fund as a “cryptically named...dark-money” entity that serves as a “clearinghouse of undisclosed cash” for far-left causes.⁵ The Sixteen Thirty Fund is one of at least four core nonprofits managed by Arabella Advisors.⁶ Arabella Advisors and the Sixteen Thirty Fund were both established by former LCV employee Eric Kessler.⁷

According to public filings from the Internal Revenue Service and Federal Election Commission reviewed by the New York Times, between the spring of 2016 and spring of 2020, Swiss billionaire Hansjörg Wyss donated more than \$135 million to the Sixteen Thirty Fund through his Berger Action Fund.⁸ Mr. Wyss also donated to the New Venture Fund, which, like the Sixteen Thirty Fund, is managed by Arabella Advisors.⁹ Together, the Sixteen Thirty Fund and the New Venture Fund have received \$245 million from Mr. Wyss since 2016.¹⁰ Separately, Mr. Wyss’s 501(c)(3) foundation, the Wyss Foundation, issued a grant for \$210,000 to LCVEF in 2020.¹¹ The Wyss Foundation also issued recent grants to the Arabella Advisors managed New Venture Fund – separate \$9.5 million grants in 2020 and 2019, and a \$8.5 million grant in 2018.¹²

Of additional interest to the Committee, Ms. Molly McUsic currently serves as a member of LCV’s Board of Directors.¹³ Concurrently in her role as an LCV Board Member, Ms. McUsic serves as the President and Director of the Wyss Foundation,¹⁴ and, according to recent tax filings, receives nearly \$750,000 per year in compensation for doing so.¹⁵ The Wyss Foundation’s 2021 tax filings indicate Wyss Foundation shares common directors and officers with Berger Action

³ LEAGUE OF CONSERVATION VOTERS, *Form 990, line 8* (Fiscal Year 2021),

<https://www.influencewatch.org/app/uploads/2023/01/league-of-conservation-voters-2021-form-990.pdf>.

⁴ AMERICANS FOR PUBLIC TRUST, *Newly Obtained Documents Reveal Far-Left Activist Groups Conducted Secret Training Session with the Biden Administration* (Feb. 15, 2023), <https://americansforpublictrust.org/news/newly-obtained-documents-reveal-far-left-activist-groups-conducted-secret-training-session-with-the-biden-administration/>.

⁵ Kenneth P. Vogel & Shane Goldmacher, *Democrats Decried Dark Money. Then They Won With It in 2020*, N.Y. TIMES (Jan. 29, 2022, updated Aug. 21, 2022), <https://www.nytimes.com/2022/01/29/us/politics/democrats-dark-money-donors.html>.

⁶ *Id.*

⁷ Brian Slodysko, *Group steers Swiss billionaire’s money to liberal causes*, ASSOCIATED PRESS (Apr. 4, 2023), <https://apnews.com/article/dark-money-democrats-wyss-politics-elections-601d40cd01569190559d545418afe396>.

⁸ Kenneth P. Vogel, *Swiss Billionaire Quietly Becomes Influential Force Among Democrats*, N.Y. TIMES (May 3, 2021), <https://www.nytimes.com/2021/05/03/us/politics/hansjorg-wyss-money-democrats.html>.

⁹ Slodysko, *supra* note 7.

¹⁰ *Id.*

¹¹ THE WYSS FOUNDATION, *Grants*, <https://www.wyssfoundation.org/grants> (last visited June 1, 2023).

¹² *Id.*

¹³ LEAGUE OF CONSERVATION VOTERS, *Board of Directors and Executive Team*, <https://www.lcv.org/about/board-of-directors-and-senior-staff/> (last visited June 1, 2023).

¹⁴ COUNCIL ON FOUNDATIONS, *Molly McUsic*, <https://cof.org/person/molly-mcusic> (last visited June 1, 2023).

¹⁵ WYSS FOUNDATION, *Form 990* (Fiscal Year 2021) <https://www.influencewatch.org/app/uploads/2023/01/wyss-foundation-2021-form-990.pdf>.

Fund: Joseph Fisher, Molly McUsic, and Robert Bland.¹⁶ The Wyss Foundation also transferred over \$100,000 to Berger Action Fund in payments for shared personnel and facilities in 2021.¹⁷

While a spokesperson claimed the Berger Action Fund has a policy barring “any of its funding from being used to support or oppose political candidates or electoral activities,” the recipients of funds from Mr. Wyss’s organizations, such as LCV, “do not have to disclose many details about their finances, including which donations are used for which projects.”¹⁸

Following “intense lobbying” from LCV and related groups that led to passage of the IRA, you met then-Speaker Nancy Pelosi who told you Democrats “passed what you wanted” and asked whether LCV would “have our backs” in the 2022 election.¹⁹ Following the election, in an end-of-year memo on December 19, 2022, LCV detailed how the “LCV Victory Fund and affiliated entities invested more than \$100 million” to elect Democrat candidates that align with LCV’s eco-agenda agenda in the 2022 elections.²⁰ Previously, in the 2018 cycle, LCV spent \$80 million on candidates that support its eco-agenda.²¹

LCV has registered to lobby on several activities within the jurisdiction of the Committee, including issues like opposing offshore drilling plans, supporting a “pause and review of the federal oil and gas program,” and supporting the restoration and expansion of a number of national monuments.²² The Committee is concerned that LCV’s relationship with foreign donors, such as Swiss national Mr. Wyss, who are prohibited from contributing, either directly or indirectly, to domestic political campaigns may impact LCV’s political and lobbying activities relating to America’s ability to achieve energy independence. As you are aware, such political and lobbying activities may require compliance with the Foreign Agents Registration Act (“FARA”).²³

The central purpose of FARA is to “promote transparency with respect to foreign influence within the United States by ensuring that the United States government and the public know the source of certain information from foreign agents intended to influence American public opinion, policy, and laws.”²⁴ Hence, FARA requires any person or entity, including non-profits, to register with the Department of Justice (“DOJ”) if they act as an agent or at the request “of a foreign principal or of a person any of whose activities are directly or indirectly, supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign principal.”²⁵ Registration under FARA is also required for any entity that attempts, on behalf of a foreign principal, to

¹⁶ *Id.* at Part VII; BERGER ACTION FUND, *Form 990*, Part VII (Fiscal Year 2021)

https://www.influencewatch.org/app/uploads/2023/04/2021-Berger-Form-990_Public-Inspection-Copy.pdf.

¹⁷ WYSS FOUNDATION, *supra* note 15 at Part XVI.

¹⁸ Vogel, *supra* note 8.

¹⁹ Eli Stokols, *How the climate movement learned to win in Washington*, POLITICO (April 2, 2023),

<https://www.politico.com/news/2023/04/02/climate-politics-change-00088107>.

²⁰ Maysmith, *supra* note 2.

²¹ Stokols, *supra* note 19.

²² LEAGUE OF CONSERVATION VOTERS, *Lobbying Report* (2021),

<https://disclosurespreview.house.gov/ld/ldxmlrelease/2021/Q1/301266634.xml>.

²³ 22 U.S.C. § 611 *et seq.*

²⁴ NAT’L SEC. DIV., U.S. DEP’T. OF JUSTICE, *Foreign Agents Registration Act Frequently Asked Questions* (Apr. 10, 2023), <https://www.justice.gov/nsd-fara/general-fara-frequently-asked-questions>.

²⁵ 22 U.S.C. § 611(c)(1).

influence any section of the U.S. public or a U.S. government official in “formulating, adopting, or changing the domestic or foreign policies of the United States.”²⁶

The law is clear about registration requirements for a person or group acting in the political or public interests of a foreign government or entity, even when done through intermediaries.²⁷ FARA registration encompasses groups or individuals acting as public relations counsel, publicity agents, information service employees, and political consultants working in the interests of a foreign principal.²⁸ Likewise, groups or persons must also register if they solicit, collect, disburse, or dispense funds for or in the interest of a foreign principal.²⁹ The failure to register is an ongoing offense and subject to punishment ranging from a fine of not more than \$10,000 to imprisonment for not more than five years.³⁰

To assist the Committee in its oversight of LCV’s FARA compliance and fundraising, lobbying, and political activities, please provide the following records, documents, communications, and information to the Committee, in electronic format, no later than July 15, 2023:

1. All documents and communications, from January 1, 2020, to the present, between all officers, board members, and staff of the LCV Entities and Rick Cruz, President and CEO of Arabella Advisors.
2. All documents and communications, from January 1, 2020, to the present, between LCV President Gene Karpinski and Rick Cruz, President and CEO of Arabella Advisors.
3. All documents and communications, from January 1, 2020, to the present, between LCV Senior Vice President of Policy and Lobbying Tiernan Sittenfeld and Rick Cruz, President and CEO of Arabella Advisors.
4. All documents and communications, from January 1, 2020, to the present, between all officers, board members, and staff of the LCV Entities and Eric Kessler, Founder and Principal of Arabella Advisors.
5. All documents and communications, from January 1, 2020, to the present, between LCV President Gene Karpinski and Eric Kessler, Founder and Principal of Arabella Advisors.
6. All documents and communications, from January 1, 2020, to the present, between LCV Senior Vice President of Policy and Lobbying Tiernan Sittenfeld and Eric Kessler, Founder and Principal of Arabella Advisors.

²⁶ 22 U.S.C. § 611(o).

²⁷ 22 U.S.C. § 611(c)(1)(i); *see also* *Attorney Gen. of the United States v. Irish Northern Aid Committee*, 668 F.2d 159 (2nd Cir. 1982); *Attorney Gen. of the United States v. The Irish People Inc.*, 796 F.2d 520 (D.C. Cir. 1986).

²⁸ 22 U.S.C. § 611(c)(1)(ii).

²⁹ 22 U.S.C. § 611(c)(1)(iii).

³⁰ 22 U.S.C. § 618(a)(2).

7. All documents and communications, from January 1, 2020, to the present, between all officers, board members, and staff of the LCV Entities, including but not limited to, LCVEF, and all officers, board members, staff, and agents of the Wyss Foundation.
8. All documents and communications, from January 1, 2020, to the present, between LCV President Gene Karpinski and all officers, board members, staff, and agents of the Wyss Foundation.
9. All documents and communications, from January 1, 2020, to the present, between LCV Senior Vice President of Policy and Lobbying Tiernan Sittenfeld and all officers, board members, staff, and agents of the Wyss Foundation.
10. All documents and communications, from January 1, 2020, to the present, between all officers, board members, and staff of the LCV Entities and Hansjörg Wyss.
11. All documents and communications, from January 1, 2020, to the present, between LCV President Gene Karpinski and Hansjörg Wyss.
12. All documents and communications, from January 1, 2020, to the present, between LCV Senior Vice President of Policy and Lobbying Tiernan Sittenfeld and Hansjörg Wyss.
13. All documents and communications, from January 1, 2020, to the present, regarding any remuneration, transaction, or contribution that involves LCV, the LCV Entities, or any related tax-exempt organization, and any foreign entity, foreign national, or any entity or individual associated with any foreign entity, foreign official, foreign national, or foreign business interest, including their agents, representatives, or intermediaries. This includes but is not limited to Russian, Chinese, and Swiss entities, nationals, or their agents, representatives, or intermediaries. This also includes, but is not limited to, documents relating to direct and indirect contributions.
14. Documents and communications sufficient to show the original date of registration for LCV, the LCV Entities, or other LCV's related tax-exempt organizations, as an agent of foreign principal pursuant to FARA;
 - a. If LCV, LCV Victory Fund, LCV state affiliates, LCV political action committees, the LCV Entities, or other LCV's related tax-exempt organizations are not registered as agents of a foreign principal pursuant to FARA requirements, provide explanations sufficient to demonstrate why FARA registration requirements do not apply to the specific entity.
15. All documents and communications with the DOJ, including but not limited to letters of inquiry or advisory opinions, referring, or relating to FARA registration by LCV or other LCV Entities.
16. Documents sufficient to identify any policies or procedures the LCV Entities have implemented to ensure compliance with FARA registration requirements, including but not limited to:

- a. Any policies or procedures the LCV Entities have implemented to ensure that funds from foreign sources or individuals are not used for political activities within the United States, unless disclosed as required by law;
- b. Any policies or procedures the LCV Entities have implemented to ensure that fundraising activities within the United States that are, in whole or in part, on behalf of or in the interests of a foreign government, entity, or individual are disclosed as required by law.

An attachment to this letter provides additional instructions for responding to the requests from the Committee on Natural Resources. Please contact the Majority staff for the Oversight and Investigations Subcommittee at (202) 225-2761 or HNRR.Oversight@mail.house.gov with any questions. Under House Rule X, the Committee on Natural Resources has “general oversight” of any matter relating to its jurisdiction, including domestic energy production on federally owned lands and waters. Thank you for your cooperation.

Sincerely,



Bruce Westerman
Chairman
Committee on Natural Resources



Paul A. Gosar, D.D.S.
Chairman
Subcommittee on Oversight and Investigations