

Cook, Scott

From: eaton@thepoliticalcompany.com
Sent: Tuesday, July 2, 2024 8:41 PM
To: Cook, Scott
Subject: [EXTERNAL] COPP-2024-CFP-029
Attachments: GFM Response-COPP-2024-CFP-029.pdf

Scott,
Attached please find Greg for Montana's response in COPP-2024-CFP-029
Best,
~jake

Jake Eaton
The Political Company
406.233.9121
Eaton@ThePoliticalCompany.com

Commissioner Chris Gallus
P.O. Box 202401
Helena, MT 59602

July 2, 2024

Commissioner Gallus,

I am writing today, on behalf of Greg for Montana (GFM), the campaign committee of Governor Greg Gianforte, in response to the complaint filed by Emily Harris of the Ryan Busse Campaign – COPP-2024-CFP-029.

As the Commissioner is aware, the Busse campaign has multiple complaints pending for their various violations of campaign finance regulations. It appears the Busse campaign has chosen to waste the Commissioner's time by filing this frivolous complaint to distract the public. At least one media organization has obliged them. The liberal news website Daily Montanan has published a story to their blog.

In fact, I was first made aware of the complaint from a Daily Montanan blogger. It appears the Busse campaign shopped their complaint around to reporters and bloggers before they even bothered to file it with the Commissioner.

This complaint should be dismissed for failing to meet the threshold requirements prescribed in ARM 44.11.106. As demonstrated below, the complaint fails to articulate any actual violations of campaign finance regulations.

Response to Busse Allegations:

Concealing expenditures by funneling money through Jake Eaton companies

The Busse campaign's rambling, incoherent allegations make it difficult to meaningfully respond. The allegations essentially call for GFM to disprove a negative. The complaint lays out various expenditures made by GFM to private companies I own. Busse asserts, without evidence, that these various reported expenditures somehow "conceal" other expenditures. This allegation is false, and Busse offers no evidence beyond conjecture to demonstrate otherwise. These expenditures for various goods and services were reported timely and accurately on GFM's campaign finance reports.

Busse further asserts a violation of MCA §13-37-229(2)(a) because GFM has not reported an expenditure to me for "campaign management". It should first be noted that individuals are free to volunteer their time to any campaign, and that time does not constitute an expenditure or contribution as those terms are defined by MCA § 13-1-101. On those grounds, Busse's assertion that a violation has occurred simply because GFM has not reported an expense for "campaign management" is faulty because volunteered time is not required to be reported.

Additionally, Busse has failed to ascertain if MCA § 13-37-229(4)(A) is at play. As the Commissioner is aware, a Party Committee is allowed to provide paid staff time as an in-kind contribution to its candidates. The Montana Republican Party has reported its in-kind contributions for paid staff time to GFM. These in-kind reports include payments to me in conjunction for work with GFM.

GFM denies all allegations contained in this section and notes that Busse has presented no facts to support their claims.

Concealing pre-registration fundraising

This might be the funniest allegation I've ever seen in a campaign finance complaint. Busse asserts, without evidence, that because Governor Gianforte was so successful in raising money during the first three months of the campaign that he somehow must have violated the campaign finance rules.

Given Busse's unpopular message and inept campaign operations, it is easy to see that they would have a hard time understanding how to raise money in a short period of time. Their ineptitude is demonstrated in their allegations. For instance, they highlight the campaign has "no subscription to fundraising databases". I guess they forgot that Governor Gianforte ran a successful statewide campaign in 2020 in which thousands of donors contributed. In industry parlance such a list is referred to as a candidate's "house file". Given GFM's substantial "house file" from the 2020 campaign, it is unnecessary to have a subscription to any fundraising database. Busse also highlights that GFM had "no phone expenses". The campaign is not required to report the use of personal cell phones for fundraising solicitations.

While Busse goes to great lengths to come up with reasons why it is "implausible" that GFM could raise \$1.24 Million in just a few months, he fails to recognize that GFM raised \$1.18 Million in the subsequent 3 months, as well. It is also worth noting that GFM raised \$1.1 Million in the first 3 months of the 2020 campaign and saw multiple 3-month periods where contributions exceeded \$1 Million.

Contrary to Busse's baseless allegations that GFM's fundraising success is "implausible", the record demonstrates it is routine for GFM to raise these amounts in these timeframes.

GFM denies all allegations contained in this section and notes that Busse has presented no facts to support their claims.

Concealing pre-registration polling

Comically, the Busse team has produced a polling memo about the US Senate race that my firm produced in February 2023. They assert that this somehow constitutes GFM conducting campaign activity more than 5 days before registering in January 2024. This

allegation is absurd on its face. Busse has presented no evidence of how a poll, for a separate client, about the US Senate race constitutes campaign activity by GFM in a gubernatorial race.

Additionally, without evidence, Busse claims “this poll provided information to Gianforte in connection with his unannounced, unregistered, but certain candidacy for Governor.” In fact, it did not. While The Political Company takes the protection of its proprietary trade secret information very seriously, if necessary, I will make the full poll available to the Commissioner for in camera review. This extraordinary step should not be necessary given that Busse has lobed this allegation based merely on his own speculation and provided no evidence to support his false claim.

GFM denies all allegations contained in this section and notes that Busse has presented no facts to support their claims.

Concealing staff

Busse falsely asserts that GFM has violated MCA §13-37-229(2)(a) by failing to report certain staff expenses.

As noted above, Busse has failed to ascertain if MCA § 13-37-229(4)(A) is at play. As the Commissioner is aware, a Party Committee is allowed to provide paid staff time as an in-kind contribution to its candidates. The Montana Republican Party has reported its in-kind contributions for paid staff time provided to GFM.

GFM denies all allegations contained in this section and notes that Busse has presented no facts to support their claims.

Disclosure failures

One of the complaints currently pending against the Busse campaign cites their violations of MCA § 13-37-229(2)(a). In what is likely a retaliatory measure, they have asserted various expenditures by GFM violate this section. Busse’s feeble attempt to conjure up violations by GFM fails to actually cite any expenditure description that is a violation.

For example, Busse claims the description “event catering” violates the rules. Would Busse propose it is necessary to provide a count of the number of hamburgers served or the number paper napkins or plastic forks used? Comically, Busse uses the description “Catering/meals for event” on its own reports but claims GFM’s use of “event catering” is a violation.

In another example, Busse claims the description “Milage and food (540 miles) violates the rules. Yet Buse, uses the descriptions “mileage “and “food “routinely in its reports.

GFM denies all allegations contained in this section and notes that Busse has presented no facts to support their claims.

In conclusion, this abuse of the campaign finance complaint process is nothing more than a desperate attempt by the Busse campaign to distract voters. Busse has presented no evidence and offers only wild speculation to support its claims.

The Commissioner should dismiss this complaint post haste and send a clear message that these types of frivolous complaints will not be tolerated.

Sincerely,

A handwritten signature in black ink that reads "Jacob Eaton". The signature is written in a cursive style with a large, prominent "J" and "E".

Jake Eaton