

In Brattleboro today, Rep. Peter Welch unveiled two actions aimed at getting federal watchdog agencies back on the beat in the post-Citizens United campaign landscape. The news comes as towns across Vermont prepare to vote next week on resolutions opposing the Supreme Court decision.

“The 2012 presidential primary season has given Americans a preview of coming attractions if we don’t overturn Citizens United,” Welch said. “The spigots of spending have been opened and the rules of the campaign road are muddier now than ever before. While we work to overturn this horribly misguided Supreme Court decision, federal agencies should send a clear signal that there is a cop on the beat enforcing federal laws.”

Welch is calling on the Internal Revenue Service (IRS) to investigate whether nonprofit 501(c)(4) organizations affiliated with Super PACs – such as Crossroads GPS, the Karl Rove-backed group spending millions of dollars in campaigns across the country – are in violation of federal law and IRS regulations. Groups qualifying for nonprofit tax-exempt status are generally prohibited by law from engaging in political activity.

Welch is also calling on President Obama to use his constitutional authority to fill five openings on the six-member Federal Election Commission (FEC) during the next recess of the United States Senate. Because of partisanship and gridlock in the Senate, the FEC is widely viewed as a paralyzed and ineffective agency. Five of the six commissioners’ terms have expired. In a letter to Obama, Welch is urging him to fill these five seats so the FEC can immediately get back to work policing the new campaign landscape.

Welch will be rallying other Members of Congress to support and sign onto his letters when he returns to Washington next week. Both letters are copied below.

Welch’s efforts come in response to the Supreme Court’s 2010 Citizens United decision that overturned a century of campaign finance law. Welch has cosponsored three constitutional amendments that would overturn Citizens United.

The Honorable Douglas Shulman,

Commissioner

Internal Revenue Service

1111 Constitution Avenue, N.W.

Washington, D.C. 20224

Dear Commissioner Shulman,

We write to urge the Internal Revenue Service (IRS) to investigate whether any groups qualifying as social welfare organizations under section 501(c)(4) of the federal tax code are improperly engaged in political campaign activity.

Congress created a tax break for nonprofit social welfare organizations because communities across our country benefit greatly from their important work. It is clearly contrary to the intent of Congress for organizations supporting a candidate for office or running attack ads against a candidate to receive taxpayer support intended for legitimate nonprofit groups.

IRS regulations prohibit these organizations from "...direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office." The courts have interpreted section 501(c)(4) to prohibit a group from engaging in more than an "insubstantial" amount of campaign activity.

We strongly urge you to fully enforce the law and related court rulings that clearly reserve 501(c)(4) tax status for legitimate nonprofit organizations. And we urge you to investigate and stop any abuse of the tax code by groups whose true mission is to influence the outcome of federal elections.

Sincerely,

PETER WELCH

Member of Congress

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The Honorable Barack Obama

President of the United States

The White House

Washington, DC 20500

Dear Mr. President,

The Federal Election Commission (FEC) was created by Congress to be the public's watch dog overseeing federal elections. Because partisanship and institutional gridlock in the United States Senate has prevented you from filling five vacancies on the six member commission, the agency is unable to effectively fill this vital role.

In the post-Citizens United era, Super PACs have opened the spigots of spending on political campaigns and the rules of the campaign trail are muddier now than ever before. The FEC is paralyzed by inaction at a time when it is most needed as the cop on the beat ensuring fair and transparent elections.

We urge you to use your constitutional authority to make recess appoints to fill these vacancies during the next Senate recess. Doing so will breathe life into this important agency and send a clear signal to those seeking to exploit an uncertain campaign landscape that the cop is back on the beat and that federal election laws will be fully enforced.

Sincerely,

PETER WELCH

Member of Congress