## RICHARD BLUMENTHAL

COMMITTEES:

AGING

ARMED SERVICES

COMMERCE, SCIENCE, AND TRANSPORTATION

JUDICIARY

VETERANS' AFFAIRS

## United States Senate

WASHINGTON, DC 20510

706 HART SENATE OFFICE BUILDING WASHINGTON, DC 20510 (202) 224–2823 FAX: (202) 224–9673

90 STATE HOUSE SQUARE, TENTH FLOOR HARTFORD, CT 06103 (860) 258-6940 FAX: (860) 258-6958

915 LAFAYETTE BOULEVARD, SUITE 304 BRIDGEPORT, CT 06604 (203) 330-0598 FAX: (203) 330-0608 http://blumenthal.senate.gov

March 26, 2018

Chair Caroline C. Hunter Vice Chair Ellen L. Weintraub Federal Election Commission 999 E Street N.W. Washington, D.C. 20463

Dear Chair Hunter and Vice Chair Weintraub,

I write to express my serious concerns regarding recent reports from *The Washington Post* ("The Post") and other publications about the political consulting firm Cambridge Analytica. Disclosures by Christopher Wylie, a founding employee of the firm, have raised significant issues that warrant the Commission's attention pertaining to the involvement of foreign nationals and political action committees in the management of election campaigns. I urge the Federal Election Commission to take these allegations seriously, open an investigation into possible violations of the Federal Election Campaign Act (FECA) by Cambridge Analytica and its clients, and take enforcement action as necessary.

First, I wish to bring to your attention the allegations that Cambridge Analytica may have violated regulations that prohibit foreign nationals from participating in decisions involving election-related activities, in violation of 11 CFR 110.20.

According to the Post, Cambridge Analytica employed dozens of non-U.S. citizens in its political strategy and communications work for state campaigns, Congressional candidates, and political action committees working in the United States. Cambridge Analytica was founded as an American subsidiary of the British consulting firm Strategic Communication Laboratories ("the SCL Group") by the director of its elections division, Alexander Nix. Despite presenting Cambridge Analytica as an American face for the SCL Group, media reports indicate that its leadership and employees were mostly foreign nationals working on tourist visas with the company providing potentially misleading letters to help with entry into the country.

Cambridge Analytica was aware of limits on the involvement of foreign nationals in U.S. elections as early as July 2014. Alexander Nix was informed by the law firm Bracewell & Giuliani that he and other foreign employees would have to recuse themselves from "substantive management" related to campaign messaging and expenditures for political clients. By the company's own account, this recusal did not occur. According to Mr. Nix's statements during a Channel 4 interview, the U.K. leadership was in close contact with Mr. Trump and several foreign employees were directly embedded in his digital team. Mr. Nix even claimed that the company "did all the research, all the data, all the analytics, all the targeting" for the Trump campaign. These reports that Cambridge Analytica's foreign staff played a significant and direct role in campaigns aligns with its own statement in recent litigation that it has "no employees and very few assets" and is simply an American presence for the SCL Group.<sup>2</sup>

Secondly, I want to raise to the Commission's attention the millions of dollars in payments from political action committees to Cambridge Analytica at the same time that the firm was directly employed by three presidential campaigns and multiple Congressional campaigns.

In the 2014 midterm and 2016 presidential elections, Cambridge Analytica played a direct role in managing strategy and communications for Republican campaigns across state and federal offices while working for conservative political action committees (PACs) supporting those same candidates <sup>3</sup> According to the *New York Times*, one of its most lucrative clients has been former Ambassador John Bolton's PAC, "John Bolton Super PAC," which has spent nearly \$1.2 million on its services since 2014. <sup>4</sup> The firm was reportedly contracted by Mr. Bolton's PAC to perform "behavioral microtargeting with psychographic messaging," designing and targeting online and television advertisements. The company provided these services at the same time as working directly for the same candidates and state parties. Additionally, Cambridge Analytica's foreign staff was closely involved in the strategy and communications of the Bolton PAC with the firm reportedly writing talking points for Mr. Bolton.

The Campaign Legal Center (CLC) has extensively documented its concerns about Cambridge Analytica's role in potential violations of the FECA regarding in-kind contributions and coordinated communications between PACs and the Trump presidential campaign. See 52 U.S.C. §§ 30101(8)(A)(ii); 30104(b)(4)(H)(i); 30104(b)(3)(B)(i); 30116(a)(1). CLC notes that both the Make America Number 1 PAC and the Trump campaign contracted Cambridge

Wylie, Christopher. Twitter Post. March 23, 2018. https://twitter.com/chrisinsilico/status/977307041021747202

<sup>&</sup>lt;sup>2</sup> Cadwalladr, Carole. Twitter Post. March 20, 2018.

https://twitter.com/carolecadwalla/status/976193236996902918

<sup>&</sup>lt;sup>3</sup> 2014 Cambridge Analytica Report on Congressional and Legislative Races. https://www.washingtonpost.com/apps/g/page/politics/2014-cambridge-analytica-report-on-congressional-and-legislative-races/2294/.

<sup>&</sup>lt;sup>4</sup> Rosenberg, Matthew. "Bolton Was Early Beneficiary of Cambridge Analytica's Facebook Data." New York Times, March 23, 2018. https://www.nytimes.com/2018/03/23/us/politics/bolton-cambridge-analyticas-facebook-data.html.

Analytica as a common vendor to create, produce, or distribute communications attacking Trump's opponent. The Commission should take these complaints seriously.

As Americans continue to learn about the company's alarming practices, its leadership has appeared at times to contradict itself in its denials and explanations. The American public deserves to know the truth about Cambridge Analytica's role in our elections. The FEC must rigorously enforce campaign finance law to uphold the integrity of United States elections and provide accountability to the public. I ask that you review the political consulting activities of Cambridge Analytica and the SCL Group in U.S. elections.

Thank you for your attention to these important issues. I look forward to your response.

Sincerely,

Richard Blumenthal

United States Senate