

C A M P A I G N F O R

ACCOUNTABILITY

April 17, 2019

By Email: information@sbalist.org

&

First Class Mail

Marjorie Dannenfelser
President
Susan B. Anthony List, Inc.
1511 N Harrison Street
Arlington, Virginia 22205

Jane Abraham
Chairman
Susan B. Anthony List, Inc.
8016 Greenwich Woods Ct
McLean, Virginia 22102

Susan B. Anthony List, Inc.
Susan B. Anthony List, Inc. Candidate Fund
2800 Shirlington Rd
Suite 1200
Arlington, Virginia 22206

Women Speak Out PAC
1200 New Hampshire Avenue N.W.
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Re: Removal of Robert Kania From the Board of the Susan B. Anthony List

Dear Ms. Dannenfelser and Ms. Abraham:

Campaign for Accountability (“CfA”), a nonprofit watchdog organization dedicated to public accountability, respectfully requests that you remove Robert Kania II from his position as treasurer of the following organizations: Susan B. Anthony List, Inc. (“SBA List”), Susan B. Anthony List, Inc. Candidate Fund, and Women Speak Out PAC.

On April 11, 2019, Pennsylvania Governor Tom Wolf removed Mr. Kania from his position as a board member of the Port Authority of Allegheny County following a complaint from CfA regarding Mr. Kania’s apparent violations of Pennsylvania campaign finance laws. Additionally, a recently settled class action lawsuit in Florida indicates that Mr. Kania’s firm, on behalf of SBA List, violated federal consumer protection laws. Mr. Kania’s failure to follow

Pennsylvania campaign finance laws and federal consumer protection laws indicates he is unfit to serve as the treasurer for SBA List and its affiliated organizations.

Background

Robert Kania II is currently the treasurer for SBA List along with two related organizations: the Susan B. Anthony List Inc. Candidate Fund, and the Women Speak Out PAC.¹ Mr. Kania has served as the treasurer for SBA List since 2012.² Mr. Kania began serving as treasurer of the Susan B. Anthony List Inc. Candidate Fund in 2013.³

The Women Speak Out PAC first listed Mr. Kania as the organization's treasurer in its 2017 Annual Report filed with Virginia's State Corporation Commission.⁴ However, Emily Buchanan, SBA List's executive vice president, filed the PAC's original Statement of Organization with the Federal Election Commission in 2012 and listed herself as the PAC's treasurer.⁵ Ms. Buchanan has continued to list herself as the PAC's treasurer in all subsequent filings submitted to the Federal Election Commission despite Mr. Kania's designation as such in the Virginia State Corporate Commission's annual reports.⁶

Additionally, between 2013, and April 11, 2019, Mr. Kania served as a member of the board of directors of the Port Authority of Allegheny County.⁷ Mr. Kania also operated a chain of preschools, and he is the president of an IT consulting firm, Direct Technology Solutions.⁸

Americans Against Socialism

During the 2018 election, Mr. Kania and Republican activist Gary Britcher ran a secret campaign against a candidate for state representative in the 21st District of the Pennsylvania House of Representatives. On November 5, 2018, Pittsburgh radio station *WESA* reported that a political

¹ 2018 Annual Report, Susan B. Anthony List, Inc., filed May 7, 2018, State Corporation Commission, Commonwealth of Virginia, accessed at <https://sccfile.scc.virginia.gov/Business/04845202/History>; Statement of Organization, Susan B. Anthony List Inc. Candidate Fund, filed Feb. 23, 2018, Federal Election Commission, available at <http://docquery.fec.gov/pdf/731/201802239095522731/201802239095522731.pdf>; 2018 Annual Report, Women Speak Out PAC, filed July 26, 2018, State Corporation Commission, Commonwealth of Virginia, accessed at <https://sccfile.scc.virginia.gov/Business/0780570>.

² 2012 Return of Organization Exempt From Income Tax, Form 990, Susan B. Anthony List, Inc., filed July 16, 2013, available at https://projects.propublica.org/nonprofits/display_990/541850126/2014_01_EO%2F54-1850126_9900_201212.

³ Statement of Organization, Susan B. Anthony List Inc. Candidate Fund, filed Jan. 31, 2013, Federal Election Commission, available at <http://docquery.fec.gov/pdf/385/13960584385/13960584385.pdf>.

⁴ 2017 Annual Report, Women Speak Out PAC, filed June 6, 2017, State Corporation Commission, Commonwealth of Virginia, accessed at <https://sccfile.scc.virginia.gov/Business/0780570>.

⁵ <https://www.sba-list.org/emily-buchanan>; Statement of Organization, Women Speak Out PAC, filed Sep. 19, 2012, available at <http://docquery.fec.gov/pdf/180/12030891180/12030891180.pdf>.

⁶ See e.g. FEC Form 3X, 2019 March Monthly Report, Women Speak Out PAC, Mar. 20, 2019, available at <http://docquery.fec.gov/pdf/517/201903209145848517/201903209145848517.pdf>.

⁷ Chris Potter and Lucy Perkins, Wolf Announces Replacement Of Port Authority Board Member Involved In Mysterious Political Committee, *WESA*, Apr. 11, 2019, available at <https://www.wesa.fm/post/wolf-announces-replacement-port-authority-board-member-involved-mysterious-political-committee>; Bobby Kerlik, Gov. Corbett Selects Final Member of Port Authority Board, *TribLive*, Oct. 10, 2013, available at <https://archive.triblive.com/news/gov-corbett-selects-final-member-of-port-authority-board/>.

⁸ *Id.* <https://www.linkedin.com/company/direct-technology-solutions>.

committee named Americans Against Socialism was waging a write-in campaign using a website, text messages, and yard signs to urge voters to write-in Dom Costa on election day to represent the 21st District in the Pennsylvania House of Representatives.⁹ *WESA* reported that there was no political committee named Americans Against Socialism registered with the Secretary of the Commonwealth.¹⁰ *WESA* also reported that the website for Americans Against Socialism had been registered in mid-October 2018 by Kania Enterprises, Inc. and that a PayPal page soliciting contributions to Americans Against Socialism directed contributors to make their contributions to rkania@kaniaenterprisesgroup.com.¹¹

In a December 20, 2018 follow-up, *WESA* interviewed Aspinwall Republican Gary Britcher who admitted that he and Robert J. Kania, Jr. had established Americans Against Socialism to oppose the election of Sara Innamorato.¹² According to *WESA*, “Britcher said Kania had set up the website and text messages. Asked whether Kania would have been the person to file campaign-finance reports, Britcher said, ‘Yeah, I guess.’”¹³

On April 8, 2019, CfA filed a complaint with the Board of Elections and the District Attorney’s Office in Allegheny County, Pennsylvania seeking an investigation into whether Mr. Kania and Mr. Britcher violated Pennsylvania’s Campaign Finance Reporting Law.¹⁴ According to Pennsylvania law, any political committee that receives \$250 or more in contributions must register with the Secretary of the Commonwealth within twenty days of receiving that amount.¹⁵

The law states that failing to properly register a political committee is a misdemeanor punishable by a fine of up to \$1,000 and up to one year in prison.¹⁶ Additionally, failing to file an account of election expenses is also a misdemeanor punishable by a fine of up to \$5,000 and imprisonment for up to two years.¹⁷ Finally, any corporate officer who consents to the use of corporate funds to make a prohibited corporate contribution or expenditure is guilty of a misdemeanor punishable by a fine of up to \$10,000 and up to two years in prison.¹⁸

⁹ Chris Potter, *WESA* (90.5 FM), *In Closing Hours, Innamorato Faces Opposition – And Reports A Threat*, November 5, 2018 available at <https://www.wesa.fm/post/closing-hours-innamorato-faces-opposition-and-reports-threat>.

¹⁰ *Id.*

¹¹ *Id.* See also, Letter from Alice Huling, Counsel at Campaign for Accountability, to Stephen A. Zappala, Jr., Allegheny County District Attorney, et. al., Apr. 9, 2019, Exhibit B (ICANN WHOIS report for americansagainstsocialism.org), and Exhibit C (Screenshot of Americans Against Socialism PayPal donation page) available at <https://campaignforaccountability.org/watchdog-pennsylvania-resident-call-on-allegheny-county-officials-to-investigate-secret-political-campaign-run-by-local-businessman/>.

¹² Lucy Perkins & Chris Potter, *One Month After Midterms, Anti-Innamorato Group Remains a Mystery*, *WESA* (Dec. 20, 2018), available at <http://www.wesa.org/post/one-month-after-midterms-anti-innamorato-group-remains-mystery#main-content>; 25 P.S. § 3246(e).

¹³ Lucy Perkins & Chris Potter, *One Month After Midterms, Anti-Innamorato Group Remains a Mystery*, *WESA* (Dec. 20, 2018), available at <http://www.wesa.org/post/one-month-after-midterms-anti-innamorato-group-remains-mystery#main-content>.

¹⁴ Letter from Alice Huling, Counsel at Campaign for Accountability, to Stephen A. Zappala, Jr., Allegheny County District Attorney, et. al., Apr. 9, 2019, available at <https://campaignforaccountability.org/watchdog-pennsylvania-resident-call-on-allegheny-county-officials-to-investigate-secret-political-campaign-run-by-local-businessman/>.

¹⁵ 25 P.S. § 3244(a).

¹⁶ 25 P.S. § 3550.

¹⁷ 25 P.S. § 3545.

¹⁸ 25 P.S. § 3543.

Kania Removed from Port Authority Board

Following CfA's complaint, on April 11, 2019, Pennsylvania Governor Tom Wolf removed Mr. Kania from his position on the board of the Port Authority of Allegheny County.¹⁹ Mr. Kania has refused to talk to the press regarding his apparently illegal conduct or his removal from office.²⁰ Mr. Kania's lawyer, though, told the *Pittsburgh Post-Gazette* that Mr. Kania tried to register his secret group, Americans Against Socialism, with state officials last fall but that he "ran into clerical issues with the registration statement."²¹ Mr. Kania's attorney continued, "After the election, the registration simply slipped through the cracks."²²

WESA then reported, "A spokeswoman for the Department of State, however, said that department staff had no record nor recollection of any filing or interaction involving Americans Against Socialism prior to this week."²³ After being fired from his government position, on April 11, 2019, Mr. Kania registered Americans Against Socialism with the Pennsylvania Secretary of State as an independent expenditure committee.²⁴

Robert Kania's Unethical Conduct on behalf of the Susan B. Anthony List

In addition to failing to file campaign finance disclosures in Pennsylvania, Mr. Kania appears to have been involved in unethical conduct on behalf of SBA List. Mr. Kania's IT firm, acting as a vendor for SBA List, appears to have violated the Telephone Consumer Protection Act ("TCPA") by sending mass robotexts during the confirmation hearing of Supreme Court Justice Brett Kavanaugh in the summer of 2018.

According to a class action lawsuit filed in the Southern District of Florida, on July 13, 2018, Mr. Kania's firm, on behalf of SBA List, sent automated text messages to more than 200,000 people questioning whether then-Senator Bill Nelson would support Justice Kavanaugh's nomination.²⁵ A judge recently approved a preliminary settlement agreement that requires SBA List to establish a \$1 million fund to pay those illegally spammed through the conduct of Mr. Kania's firm.²⁶ Beyond the cost of the settlement, the lawsuit indicates Mr. Kania's firm violated

¹⁹ Ed Blazina, *After Transit Group's Urging, Gov. Wolf Replaces Port Authority Board Member*, *Pittsburgh Post-Gazette*, April 11, 2019, available at <https://www.post-gazette.com/news/transportation/2019/04/11/Pittsburghers-for-Public-Transit-group-Gov-Wolf-replace-Port-Authority-board-member-robert-kania/stories/201904110081>.

²⁰ *Id.*

²¹ Julian Routh, *Complaint Alleges Violation of Campaign Finance Law in Aim to Derail Election of Democratic Socialist*, *PITTSBURGH POST-GAZETTE* (Apr. 9, 2019), available at <https://www.post-gazette.com/news/politics-local/2019/04/09/Democrats-Socialists-campaign-finance-law-campaign-for-accountability-costa-innamorato-pennsylvania/stories/201904090142>.

²² *Id.*

²³ Chris Potter and Lucy Perkins, *Wolf Announces Replacement Of Port Authority Board Member Involved In Mysterious Political Committee*, *WESA*, Apr. 11, 2019, available at <https://www.wesa.fm/post/wolf-announces-replacement-port-authority-board-member-involved-mysterious-political-committee>.

²⁴ Committee Information, *Americans Against Socialism*, Pennsylvania Department of State, available at <https://www.pavoterservices.pa.gov/ElectionInfo/CommitteeInfo.aspx?ID=16208>.

²⁵ Complaint at 5, *Wijesinha v. Susan B. Anthony List, Inc.*, No. 1:18cv2280 (S.D. Fla. July 17, 2018).

²⁶ Order Preliminarily Approving Class Action Settlement and Certifying the Settlement Class, *Wijesinha v. Susan B. Anthony List, Inc.*, No. 1:18cv2280 (S.D. Fla. July 17, 2018).

the TCPA and may be subject to additional enforcement action by the Federal Communications Commission.²⁷

Robert Kania is Unfit to Serve as Treasurer

As you know, SBA List operates several entities organized under different sections of the Internal Revenue Code, each of which is subject to different rules governing political spending: SBA List is a 501(c)(4) and must operate primarily for the promotion of social welfare; Susan B. Anthony List Inc. Candidate Fund is a PAC that makes campaign donations directly to political candidates; and The Women Speak Out PAC is a super PAC that cannot donate to candidates or parties, but can make unlimited independent expenditures. Notably, Mr. Kania is the treasurer for all three entities.

Mr. Kania's failures to follow Pennsylvania campaign finance laws and federal consumer protection laws suggest he is unfit to manage SBA List's array of various nonprofits and political committees. His explanations for his failure to abide by Pennsylvania campaign finance laws do not appear to be forthright. Further, the robotexts his firm illegally sent out on behalf of SBA List are costing the organization more than \$1 million.

Whether Mr. Kania's apparent violations of Pennsylvania campaign finance law and the federal TCPA were willful or inadvertent, his conduct indicates he is either unable to comply with the relevant laws or willing to sacrifice compliance for political advantage. As a result, it is difficult to see how the board of SBA List can continue to rely on Mr. Kania to properly and ethically fulfil his duties as the organization's treasurer.

Conclusion

Mr. Kania's actions in Pennsylvania and Florida suggest a willingness to disregard the law in pursuit of political ends. The combined SBA List organizations are intended as "an arsenal designed not to hurt but to heal."²⁸ By failing to follow state and federal law, Mr. Kania is hurting SBA List and its financial supporters who must bear the costs of Mr. Kania's violation of the TCPA, as well as citizens who comply with the law, even when it is difficult or inexpedient. Therefore, CfA asks SBA List to demand Mr. Kania's resignation before he implicates SBA List in any other potentially illegal conduct.

Sincerely,



Alice C.C. Huling
Counsel

²⁷ 47 U.S.C. § 227(b)(5)(A)(i).

²⁸ <https://www.sba-list.org/about-susan-b-anthony-list>.