The Impact of the Judicial Crisis Network’s Dark-Money Scheme on Our Courts

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Prepared by:
Sen. Chuck Schumer
Sen. Sheldon Whitehouse
Sen. Debbie Stabenow
Sen. Patrick Leahy
Sen. Dianne Feinstein
Sen. Richard Blumenthal
Sen. Mazie Hirono
Sen. Cory Booker
Sen. Brian Schatz
Sen. Jeff Merkley
Sen. Martin Heinrich
Sen. Chris Van Hollen
Sen. Ben Cardin
Sen. Bob Menendez
Sen. Ron Wyden
Sen. Elizabeth Warren
Sen. Catherine Cortez-Masto
Sen. Ed Markey
Sen. Tina Smith
Sen. Gary C. Peters
Sen. Tammy Baldwin
Sen. Tim Kaine
Sen. Jeanne Shaheen
Sen. Mark R. Warner
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Overview

Over a half century ago, right-wing donor interests identified the immense political benefit of capturing and controlling the U.S. Supreme Court. The Court’s unelected, life-tenured justices offer these interests a chance to enact unpopular policies that no elected branch of government ever could. Relying heavily on anonymous dark money to hide their hand, these interests plotted and executed a plan to capture the Court. The plan bears all the hallmarks of a covert operation run against a foreign state: hidden funding, false narratives, cut-outs, and front groups. The difference, however, is that this covert operation is run by Americans against Americans.

For the past decade, a central player in this scheme, the Judicial Crisis Network, has inundated Americans’ airwaves with propaganda to pursue the right-wing donors’ corrupt agenda. Now, with Justice Breyer set to retire from the Court later this year, President Biden has nominated D.C. Circuit Judge Ketanji Brown Jackson to be a justice who holds no allegiance to wealthy, powerful donors and the influence machine they fund. In reaction, the Judicial Crisis Network is accusing Democrats of engaging in the same corrupt schemes that its dark-money network invented and perfected.

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Even before President Biden had made his pick, the Judicial Crisis Network announced a $2.5 million dark-money ad campaign to smear the nominee as “a huge payback” to liberal dark money and to distract from the Judicial Crisis Network’s own operation. To fully appreciate the threat this and similar groups pose to our democracy, it is vitally important for Americans to understand the motivations, funding, and strategy behind the Judicial Crisis Network.

What is JCN?

Its founders conceived of the Judicial Crisis Network in 2004 at a small dinner party attended by Justice Antonin Scalia and Leonard Leo, then the Executive Vice President of the Federalist Society. Special-interest donors were already using the Federalist Society to build a cadre of judges to deliver on their policy agenda, but they also sought to deploy political-style campaigns to run alongside the Federalist Society’s vetting operation. First called the Judicial Confirmation Network, the group’s original purpose was to “promote President George W. Bush’s judicial nominees.” In 2010, during the Obama Administration, the group changed its name to the “Judicial Crisis Network” (JCN), characterizing President Obama’s nominees as “potentially more threatening than even the current economic crisis.”

From the start, JCN received a steady stream of anonymous funding. Beginning in 2008, JCN received the bulk of its funding from the Wellspring Committee, a dark-money group founded in 2008 “with the help of conservative donors in the network led by billionaire brothers Charles and David Koch.” Thanks to massive, anonymous donations as large as $23 million,
the Wellspring Committee provided more than 90% of JCN’s funding from 2008 to 2018, when Wellspring disbanded. JCN also receives major dark-money donations — sometimes as much as roughly $20 million—from the Koch-affiliated “dark-money ATM of the right,” Donors Trust.

JCN spends millions each year “to sway state judicial elections and attorneys general races, helping to uphold state laws backed by conservatives, nurture like-minded talent in the states, and advance pro-business, limited-government legal agendas aligned with its donors’ leanings.” Since 2012, JCN has made more than 14,000 ad buys, most of them so-called “issue ads” that don’t require the disclosure of donors.

JCN and its staff also engage in explicit advocacy for its donors’ agenda. Like other Koch-backed groups, JCN was mobilized in the Republican assault on the Affordable Care Act (ACA). In the first legal challenge to the ACA, *NFIB v. Sebelius*, JCN and its current president, Carrie Severino, filed five amicus curiae briefs on behalf of Republican senators and House Speaker John Boehner, arguing that the ACA was unconstitutional. Severino, on behalf of JCN’s sister organization the Judicial Education Project (JEP), also joined another amicus brief with John Eastman arguing against the ACA’s constitutionality. In the next challenges to the ACA, including in *King v. Burwell*, Severino also authored multiple amicus briefs for Republican members of Congress, again arguing to weaken the law. If the Supreme Court had accepted these arguments, the Urban Institute estimated that 8.2 million people would have lost health insurance coverage.

**JCN Attacks**

JCN spends its millions of dollars in dark money to promote Republican judicial nominees who support its donors’ agenda and to oppose Democratic nominees at the federal level. JCN spent $7 million opposing President Obama’s Supreme Court nominee Merrick Garland. It then spent $10 million more to support
the confirmation of President Trump’s Supreme Court nominee Neil Gorsuch, and another $10 million to support Brett Kavanaugh’s nomination. JCN also spent heavily on lobbyists to shepherd the Gorsuch and Kavanaugh nominations through the Senate. Most recently, JCN spent $10 million in under two months to boost Amy Coney Barrett to the Supreme Court.

Now that President Biden is appointing judges and federal officials who are not beholden to any special-interest donors, JCN has shifted to attacking President Biden’s nominees.

- It spent more than $1 million on a smear campaign against President Biden’s nominee to be Assistant Attorney General for the Civil Division, Vanita Gupta.

- It pumped another $1 million into an ad campaign against President Biden’s first slate of judicial nominees. That campaign warned that President Biden’s judicial nominees were “payback ... for left-wing dark-money groups” who would be satisfied with “nothing less than a bench of radical activist judges who ... will ‘transform the country, ignore the people, and shred the Constitution.’”

- In a column for the National Review, Severino called Jennifer Sung, the first Asian-American woman to hold an Oregon seat on the Ninth Circuit, and Beth Robinson, a champion of LGBTQ rights and the first LGBTQ woman to serve on any federal circuit court, “ideologues” who have demonstrated “temperamental unfitness for the bench.” She also called Dale Ho, the son of Filipino immigrants and former director of the ACLU’s Voting Rights Project, an “extremist” “nominated to help deliver the policy preferences of dark-money groups.”

- JCN spent $300,000 on an ad campaign decrying Ho as “a career puppet for left-wing, dark-money groups.” According to Severino, one of Ho’s “left-wing, dark-money” puppeteers is the NAACP Legal Defense and Education Fund.

This propaganda campaign is “a form of transference” that seeks to shift the blame for appointing “activist” judges onto Democrats, “despite clear evidence that Trump appointees vetted by Leonard Leo and chosen by his dark-money network are taking steps toward overturning major legal precedents, such as Roe v. Wade.”
Dark-Money Connections

JCN is an essential cog in a much larger corrupt machine. The Washington Post and other researchers have identified dozens of groups comprising this machine, which collectively accepted over $400 million in dark money from 2014-2018. The untraceable funding, combined with the coupling of 501(c)(3) and 501(c)(4) nonprofit entities, allows organizations like JCN to influence the government while hiding the identities of their funders. JCN is a useful study in how these “twinned” organizations mask donors’ identities:

- JCN is set up as a 501(c)(4) “social welfare” group. This means that JCN can engage in political activity as long as that activity does not become JCN’s primary purpose.\(^{28}\)

- Unlike a political action committee (PAC), JCN does not need to disclose the identity of its donors.\(^{29}\)

- JCN’s sister 501(c)(3) organization, the JEP, can accept charitable donations.

- JCN and JEP, like many organizations in this network, then funnel money back and forth, making it virtually impossible to track their funding, while they reap tax exemptions along the way.

JCN is connected to and coordinates with other organizations funded by the same wealthy and powerful donors. Federalist Society Chairman Leonard Leo is at the heart of this network. As Leo’s former media director put it, “[t]he JCN is Leonard Leo’s PR organization – nothing more and nothing less.”\(^{30}\) As of 2019, JCN (and JEP) operated out of the same hallway as the Federalist Society.\(^{31}\) According to a former Leo staffer, Severino “was working out of the Federalist Society office” and “Federalist Society staff babysat her kids as the JCN project was launched.”\(^{32}\) In turn, JCN has distributed millions of dollars to other organizations in this network, many of which engage in direct and substantial political spending. Since 2011, JCN has given more than $38.2 million in “grants”—almost half of its total budget—to 501(c)(4),
501(c)(6), and 527 advocacy groups, with the largest contributions to groups with explicit political aims, like the Republican Attorneys General Association.

Recently, this dark-money network reorganized to better hide its assets and identity. In late 2019, JCN changed its name to the Concord Fund, while JEP rebranded as The 85 Fund. These groups then set up “fictitious names” under Virginia law, with the Concord Fund registering its old name, the Judicial Crisis Network, as a fictitious name, and The 85 Fund doing the same with the JEP. According to Axios, Leo says that this reshuffling is intended to help “funnel big money and expertise across the conservative movement.”

With this transformation, the role of JCN/Concord Fund and JEP/The 85 Fund has only grown. The 85 Fund’s 2020 tax filing shows $65 million in revenues, taking “nearly as much in 2020 as it did in the entire decade prior.” All that money for an organization with only one employee who draws a salary of over $100,000 per year. More than $48.5 million of this revenue came from a single dark-money group, Donors Trust. According to Donors Trust’s tax filing, these donations to The 85 Fund were earmarked for various “projects,” including known far-right organizations like the voter suppression operation Honest Election Project. Others, like the “Independent Woman Project,” likely refer to other special interest front groups such as Independent Women’s Voice and the Independent Women’s Forum—groups that have released talking points for attacking President Biden’s Supreme Court nominee. Some donations simply refer ominously to Orwellian-named projects like a “voter education program” and “judicial education projects.” In all, Donors Trust accounted for roughly 75% of The 85 Fund’s revenue.

JCN’s Dark-Money Voter Suppression and Attacks on Teachers

JCN and JEP have opened a new front of attacks on the American people. Under the aliases “Honest Elections Project Action” and “Honest Elections Project” (HEP), these groups stood up new voter-suppression projects. Both groups are led by Jason Snead, who helped create the Heritage Foundation’s bogus “Heritage Election Fraud Database.” Snead has carried on that tradition at HEP, which has used “bogus methodology that has been wholly debunked” to justify voter suppression litigation and propaganda. HEP has also taken over “developing” voter-suppression laws for the American Legislative Exchange Council (ALEC), the dark-money front group that churns out model bills for Republican state legislatures.

Under a second set of aliases, “Free to Learn Action” and “Free to Learn,” these groups are also seeking to politicize education. These fronts have pledged to spend “well over $1 million” on an anti-“critical race theory” ad campaign attacking teachers and public schools. These campaigns have led to Republican legislatures across the country introducing more than 137 bills prohibiting teachers from mentioning or schools from assigning books that mention racism, slavery, LGBTQ rights, or even the Holocaust.
for the year. To keep the machine churning, The 85 Fund distributed over $34.3 million to unnamed groups, presumably in other areas of the dark-money operation.

**Conclusion**

If all of this seems confusing, that is the point. “Twin” 501(c) organizations, DonorsTrust, fictitious names, preemptive smears of Judge Jackson’s nomination—all of this obfuscation is part of an attempt to hide the influence of rich, right-wing donors over Donald Trump’s reshaping of the federal judiciary. These donors spent hundreds of millions of dark-money dollars to stack the federal judiciary with judges who will deliver policy results those donors could never achieve through the elected branches of government. Their complex web of front groups and baseless propaganda — with JCN at the forefront — are intended to obscure their dark-money machine. By painting Judge Jackson and Democrats as beholden to liberal dark money, groups like JCN and their donors hope to muddy the waters even further. But the truth is clear: the biggest right-wing donors control the Republican Party and have captured the Supreme Court. While Republicans tirelessly defend their donors’ dark-money power, Democrats are committed to cleaning up this corruption and bringing accountability and transparency back to our federal judiciary.
Republican attacks on President Biden’s Supreme Court nominee are a symptom of a larger affliction. Dark money corrupts our democracy by allowing the wealthy and powerful to secretly influence our politics and courts at the expense of everyday Americans.

Republicans know that Judge Jackson has qualifications beyond reproach and will fight for the rights of all Americans. Unable to attack the nominee on substance, Republicans can only accuse Democrats of what they, themselves, have been doing for decades—corrupting the Court to repay their dark-money donors. While Republicans cultivated and protected dark money, Democrats have fought to end it.

- Republicans celebrate decisions like *Citizens United* that unleash more dark money, drowning out the voices of ordinary Americans. Democrats recognize ordinary Americans’ right to be heard and want to get money out of our politics.

- Democrats champion legislation that would bring transparency and accountability to campaign-finance laws.

- All 50 Senate Democrats voted for the DISCLOSE Act, which would end dark money; all 50 Senate Republicans used the filibuster to block it.

- Leonard Leo and the dark-money Federalist Society handpicked Republican Supreme Court nominees. President Biden made clear that he takes his constitutional duties seriously and wouldn’t let anyone pick his nominee for him.
Endnotes

1 Igor Derysh, Dark-money groups fighting Biden’s Supreme Court pick also funded Big Lie, Capitol riot, SALON (Mar. 8, 2022), https://www.salon.com/2022/03/08/dark-money-groups-fighting-bidens-pick-have-many-ties-to-big-lie-capitol-riot/ (“The Judicial Crisis Network (JCN), which played a key role in shaping Trump’s Supreme Court nominations, last month launched a preemptive $2.5 million strike before Biden even named his nominee . . .”); Lachlan Markay, Conservatives pin progressive consulting firm as new “dark money” target, AXIOS (Feb. 7, 2022), https://www.axios.com/conservatives-pin-progressive-consulting-firm-as-new-dark-money-target-1b499edc-d916-4340-bbb1-1997d867d418.html.


5 Novak & Stone, supra note 1.


9 Novak & Stone, supra note 1.


12 Brief of the Center for Constitutional Jurisprudence et al., NFIB, 567 U.S. 519 (No. 11-398).

13 Brief for Amici Curiae Senator John Cornyn et al. in Support of Appellants, Halbig v. Se-


16 See Richard Lardner, Pro-Kavanaugh group received millions from anonymous donors, AP News (Nov. 27, 2018), https://apnews.com/article/91c58df540884d698ceb35a529c34b08.


21 See Severino, supra note 22.


27 See Robert O’Harrow Jr. & Shawn Boburg, A conservative activist’s behind-the-scenes campaign to remake the nation’s courts, Wash. Post (May 21, 2019), https://www.washington-

32 Michaelson, supra note 29.


36 Massoglia, supra note 32.


38 Id.

39 See O’Harrow & Boburg, supra note 30.


41 The 85 Fund IRS Form 990, supra note 36.

42 Id.


47 David Armiak, ALEC Lied About Its Work on Election Suppression Bills, Ctr. for Media &

