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Nonprofit linked to Missouri governor raises new questions about 'dark money,' ethics

BY JASON HANCOCK

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JEFFERSON CITY — In the shadow of the Missouri Capitol, just a block from the governor's mansion, sits the headquarters of a just-started nonprofit called A New Missouri Inc.

Founded by Gov. Eric Greitens' campaign treasurer and housed in a building linked to one of Missouri's most prolific political donors, the group's stated purpose is to "promote ideas, policies and/or legislation to create more jobs, higher pay, safer streets, better schools, and more, for all Missourians."

But its focus will be advocating for the governor and his agenda, a Greitens adviser said this week. And because it's a nonprofit, A New Missouri can accept unlimited contributions and won't be required to disclose who is giving it money.

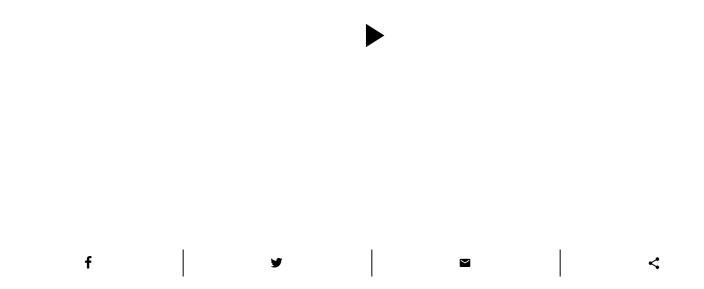
After a campaign that saw Greitens benefit from millions in dark money contributions — coupled with the governor's continued refusal to disclose how much corporations paid to bankroll his inauguration and who's paying for his travel around the country — A New Missouri is raising concerns that its real purpose could be to thwart the state's sunshine laws and circumvent campaign contribution limits.

"If you want to take a massive check and you don't want people knowing who's behind it, this is what you do," said Jordan Libowitz, spokesman for the liberal watchdog group Citizens for Responsibility and Ethics in Washington. "They call it dark money for a reason."

Austin Chambers, the governor's senior adviser, dismisses concerns about the group. The only people complaining about transparency in the Greitens administration, Chambers said, are "reporters and Democratic operatives. I don't hear that from people as we are out traveling the state. They're interested in the kitchen table issues that Gov. Greitens ran on."

Yet Greitens' campaign for governor was largely based on the premise that Missouri's government teems with "corrupt career politicians," "well-paid lobbyists" and "special-interest insiders." The only way Missourians can have faith in their government, Greitens argued, was if lawmakers passed meaningful ethics reform legislation aimed at preventing corruption.





Missouri Gov. Eric Greitens gives his first State of the State address

In his first address to a joint session of the Missouri General Assembly, Gov. Eric Greitens on Tuesday night urged lawmakers to overcome years of gridlock and finally ban lawmakers from accepting gifts from lobbyists. The new governor took office Jan. 9.

Eric Greitens - Facebook

State Rep. Gina Mitten, a St. Louis Democrat, said that as long as Greitens insists on conducting business in the shadows, his ethics reform rhetoric rings hollow.

"Creating a nonprofit to act as a washing machine for donations and gifts wouldn't be stopped by any of the ethics reform bills we've debated," Mitten said.

"Social welfare" groups like A New Missouri can engage in political activity as long as it is less than half of what the organization does. But measuring that can be tricky. Direct involvement with a candidate would be considered political activity, for example, but advocating for legislation wouldn't necessarily be.

Chambers said the governor is not directly involved in the nonprofit's day-to-day operations, but there will be coordination between the nonprofit, the governor's campaign and the governor's official state office.

Chambers will be doing work for all three. Meredith Gibbons, the Greitens campaign's finance director, will work out of the office of A New Missouri, as will Greitens' sister-in-law, Catherine Chestnut. More people will be hired in the coming weeks.

The nonprofit will be engaged on several fronts — from advertising to event planning to social media — to "make sure Missourians know what the governor is doing and what he's trying to get passed," Chambers said.

"The role of A New Missouri is to advocate for and promote the governor's agenda," he said. "It will be backed by people who care deeply about seeing the agenda enacted here in Missouri."

The group also will cover some of the governor's travel expenses, Chambers said. Since taking office Jan. 9, the governor has eschewed use of the state plane for official business. Instead, he relies on private planes and has said he'll pay for them with campaign or private money.

When the nonprofit picks up the tab, Missourians may never know which individuals or corporations are actually paying for the governor's travel, or what kind of business they may have before the state, including regulatory matters or legislation that the governor will either sign or veto.

According to the Cole County assessor's office, the building that houses A New Missouri in downtown Jefferson City was recently purchased by a St. Joseph company with the same address as Herzog Services Inc. Stan Herzog, the company's principal shareholder, is a major Republican campaign contributor who gave Greitens \$650,000 last year.

Chambers said he didn't attorney did not respond



ne building." Herzog's

To Greitens' critics, the setup harkens back to his campaign for governor, when a federal PAC called SEALs for Truth gave Greitens \$1.9 million, at the time the largest single contribution to a candidate in Missouri history.

It was later revealed that SEALs for Truth was fully funded by a Kentucky-based nonprofit called the American Policy Coalition Inc. The nonprofit is connected to an Ohio attorney named David Langdon, whom the Center for Public Integrity labeled the "nexus of one of the nation's most mysterious networks pouring secret money into elections."

By routing the donations through a nonprofit, where the money actually came from will likely never be known.

Jeff Stuerman, Greitens' campaign treasurer, set up a nonprofit in November called the Committee for a New Missouri Inc. Its sole stated purpose was to raise money for the inauguration festivities. Since then, the governor has repeatedly refused to follow the tradition of former governors and disclose how much was raised, how much was spent and how much each donor contributed.

That nonprofit's attorney, Michael Adams, told The Star that the group is not subject to Missouri's Sunshine Law. Adams is general counsel for the Washington, D.C.-based Republican Governors Association, which donated \$13 million to Greitens' gubernatorial campaign last year.

Stuerman and Adams filed paperwork with the Missouri secretary of state's office Feb. 5 to form A New Missouri.

John Messmer, a political science professor at St. Louis Community College at Meramec, called the Greitens political operation a "shadow government" that is "anchored by unnamed mysterious forces."

"What I find most troubling," Messmer said, "is that everyone knows that these forces are political organizations that deserve scrutiny and regulation. But since they're masquerading as a 'social welfare' group, they get away with doing things in secret."

Walter Siewert, director of the Center for Ethics in Public Life at the University of Missouri-St. Louis, said the success Greitens had in the campaign using dark money likely means he won't stop anytime soon.

"So the upshot is that it appears that until those who engage in these practices pay a political price for them, they will continue," Siewert said. "It is not surprising that Gov. Greitens doubles down on a winning strategy for him."

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A new nonprofit called A New Missouri Inc., founded by Gov. Eric Greitens' campaign treasurer, is housed in this building at 105 E. High St. in Jefferson City. The building is linked to Stan Herzog, one of Missouri's most prolific political donors. **Jason Hancock** - jhancock@kcstar.com



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