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Iraq war backers proudly pugnacious

But critics say Move America Forward may abuse nonprofit status

By Todd Milbourn, Bee Staff Writer

When Cindy Sheehan's anti-war protests last year drew widespread news coverage, a Sacramento nonprofit jumped to defend President Bush with a series of "counterprotests" against the Berkeley mother.

When Democratic House leader Nancy Pelosi called Bush an "incompetent leader" in 2004, the group responded with an "action alert" calling Pelosi a "domestic enemy."

And as a liberal U.S. senator pushed to censure Bush earlier this year amid revelations that his administration was secretly tapping domestic phone calls, the organization countered with a campaign to censure Jimmy Carter instead, calling the former president an ally of terrorists and dictators.

The efforts have given the group, Move America Forward, a platform in the increasingly polarized debate over the war.

But the group's rise hasn't come without controversy.

On the eve of the 2006 elections, the Internal Revenue Service is cracking down on nonprofit organizations that stray into party politics. Critics say Move America Forward is ripe for scrutiny.

"We don't pretend to be mild-mannered," said Sal Russo, Move America Forward's chief strategist and a longtime Republican political consultant. "We believe you can't separate the troops from the mission. And we believe that when somebody's wrong, they need to be called out on it."

Russo founded Move America Forward in 2004, along with former Republican Assemblyman Howard Kooligian and conservative San Francisco radio host Melanie Morgan -- all veterans of the 2003 recall of Gov. Gray Davis.

With war support dipping, Russo said Move America Forward is out to support the troops and spread "good news" on Iraq.

The group has raised about \$1.2 million, mostly from small, undisclosed donors, Russo said. Most of the money has been spent on television and radio spots and rallies, tax records show. About \$113,000 funded programs directly benefiting soldiers, such as mailing them cookies, coffee and beef jerky.

Russo said Move America Forward has no ties to the White House or the Republican Party, and none could be gleaned through a review of public records, although the Department of Defense has publicly praised the group's efforts.

Some liberal groups see Move America Forward as an external public relations department for the administration.

"It's a shell organization," said Trevor Fitzgibbon, spokesman for Moveon.org, a liberal advocacy group and frequent target of Move America Forward.

Move America Forward is among the flood of new advocacy groups on both sides of the political divide. Congressional attempts to restrict donations to political parties have effectively channeled new money to such organizations, which they often spend on political advertising.

Move America Forward is different from most of these groups because it is registered as a public charity -- like the United Way or the Red Cross -- and accepts tax-deductible donations.

The IRS prohibits groups eligible for tax-deductible donations from engaging in partisan activity. While such groups can speak out on policy matters and perform a small amount of lobbying, they cannot urge support for a particular candidate or party, said Bill Steiner, a Sacramento-based IRS spokesman.

Donations to groups like Moveon.org or the conservative Club for Growth aren't tax deductible, so the IRS grants them more leeway. Sheehan's Venice-based nonprofit, Gold Star Families for Peace, is eligible for tax-deductible donations, although the group recommends impeaching Bush and promotes "pro-peace" candidates on its Web site.

After noting a rise in political activity among nonprofits and churches during the 2004 elections, the IRS said it would pay closer attention to possible violations.

The IRS launched an investigation of the National Association for the Advancement of Colored People over a speech by Chairman Julian Bond on the eve of the 2004 election.

"The race is on! The gloves are off! We are in a fight for our lives!" Bond said in the speech, before blasting Bush's policies. The IRS sent a letter to the NAACP warning the civil rights group that its tax exemption could be in jeopardy. The NAACP has since been cleared.

A nonprofit doesn't have to explicitly express support for a particular candidate or party to be in violation, Steiner said. For instance, the IRS launched a probe of the liberal All Saints Church in Pasadena after an anti-war homily delivered by rector George Regas just before the 2004 election.

Regas didn't tell the congregation whom to vote for but did skewer Bush over Iraq, saying the war had "led to disaster."

Kay Guinane, director of nonprofit speech rights at OMB Watch and co-author of a report on the IRS crackdown, said the tax agency appears to have focused mainly on liberal groups. She said pronouncements like those of Move America Forward push the envelope and could warrant scrutiny.

"The bottom line is: The public should not indirectly be subsidizing partisan activity," said Guinane, author of a recent study on the IRS crackdown. "That doesn't mean (nonprofits) have to be neutral about issues. But we want to protect the integrity of the charitable sector."

Steiner, the IRS spokesman, said he couldn't discuss a particular nonprofit. Russo said his group's exempt status has never been in question.

Russo said Move America Forward isn't partisan. He pointed out that the group has lauded Democratic Sen. Joe Lieberman and ripped Republican Sen. George Voinovich.

And Morgan, Move America Forward's chairwoman, offered some criticism of the Bush administration, saying it is running "one of the most inept communications departments I've seen."

"That's one of the reasons we started Move America Forward," Morgan

said. "This administration is unable to articulate clearly why we went to Iraq, why we are there and why we're winning the war."

Move America Forward, with two full-time paid employees, occupies a 14th-floor office on L Street, overlooking the state Capitol. Ronald Reagan portraits adorn the walls. Boxes of "Support the Troops" T-shirts are scattered about.

Move America Forward shares the office with Russo's PR firm, Russo, Marsh & Rogers.

One of Russo's private clients is the government of Kurdistan, a semiautonomous region in northern Iraq. His firm is running a campaign encouraging investment there.

The Center for Media and Democracy, a liberal nonprofit monitoring the public relations industry, has questioned whether the contract poses a conflict for Russo, given Move America Forward's promotion of the war.

"There are all sorts of conspiracy theorists out there," said Russo, who sees a political motivation behind the accusations against Move America Forward. "We are very careful, prudent and keep things separate."

Despite a stated aversion to partisan politics, several Move America Forward leaders aspire to elective office.

The list includes Kaloogian, who left the organization before his unsuccessful run this summer to replace San Diego Congressman Randy "Duke" Cunningham, a Republican convicted of taking bribes from defense contractors. Kaloogian got airtime in Move America Forward commercials before officially launching his campaign.

Robert Dixon, Move America Forward's acting director, said he plans to run for the Sacramento City Council. John Ubaldi, an Iraq war veteran who has served as the group's communications director, said he is considering a run for national office.

Analysts said it's difficult to gauge the influence of groups like Move America Forward. Similar to the Swift Boat Veterans for Truth campaign of 2004, the groups often rely on the Internet to attract wider attention.

Brooks Jackson, director of Political Fact Check, a University of Pennsylvania-affiliated watchdog that monitors advocacy groups, said ads

like those of Move America Forward tend to be controversial because "somehow middle of the road, rational conversation doesn't seem to attract people to jump up and open their checkbooks."

Groups like this, liberal and conservative alike, Jackson added, have "helped coarsen the political debate."

Russo said 30-second spots leave little time for nuance.

"We're not mealy-mouthed," said Russo, whose group is planning a commemorative rally on the state Capitol steps Monday to mark the Sept. 11 attacks. "We're not going to be."

MOVE AMERICA FORWARD

Founded in 2004, the Sacramento-based nonprofit Move America Forward spreads its messages via television and radio ads and public rallies. The campaigns are often a response to criticism of President Bush and the war in Iraq. Some examples:

* Michael Moore's "Fahrenheit 9/11" hit theaters before the 2004 presidential election.

Move America Forward showcased in Sacramento "Celsius 41.11," a film portraying Democratic candidate John Kerry as the wrong man for the job. The movie was produced by an affiliate of the advocacy group Citizens United for the Bush Agenda.

* Democrats and some Republicans criticize John Bolton, Bush's then-nominee for ambassador to the United Nations.

Move America Forward produced television ads lauding Bolton's qualifications, dismissing critics as the "blame America first crowd."

* Inspectors and the U.S. military fail to find weapons of mass destruction in Iraq.

Move America Forward aired television ads saying Iraq actually did have such weapons but the information was being withheld by the news media "to selfishly advance their shameless political ambitions."

FUNDING

Move America Forward has raised about \$1.2 million in tax-deductible donations. A breakdown of Move America Forward's largest expenditures:

- * \$693,456 on television and radio ads and movie screenings.
- * \$123,491 to send talk radio hosts to report from Iraq and orchestrate counterprotests against anti-war activist Cindy Sheehan in Crawford, Texas, and elsewhere.
- * \$113,434 to send coffee, cookies and beef jerky to soldiers in Iraq and Afghanistan.
- * \$20,744 for rallies commemorating 9/11, supporting tighter border controls and other issues.

Source: Internal Revenue Service Form 990

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Caption: Sal Russo

The longtime GOP political consultant is Move America Forward's chief strategist. "We don't pretend to be mild-mannered."

Sacramento Bee / Kevin German

Robert Dixon, right, acting director of Move America forward, strategizes with Andy Nevis, left, and Donald La Combe. Despite a stated aversion to partisan politics, several Move America Forward leaders aspire to elective office, including Dixon, who may run for Sacramento City Council.

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