

Congress of the United States

Washington, DC 20515

December 9, 2024

Mr. Kris Nagel
Chief Executive Officer
Sift
525 Market Street, Sixth Floor
San Francisco, CA 94105

Dear Mr. Nagel:

The Committee on the Judiciary and the Committee on House Administration (CHA), operating under the jurisdiction to protect the integrity of American elections¹, write to you with urgent concerns regarding potential illicit election funding by foreign actors. According to recent reporting, ActBlue, a major online political fundraising platform, has maintained poor anti-fraud practices that have allowed bad actors to make fraudulent political donations, including from foreign sources.² Fraudulent political donations corrupt American elections and could amount to interstate criminal conduct. Because Sift has provided “fraud detection and prevention services” for ActBlue, we write to request your cooperation with our oversight.³

The Federal Election Campaign Act of 1971 (FECA) states that “no person shall make a contribution in the name of another person . . . and no person shall knowingly accept a contribution made by one person in the name of another person.”⁴ Under FECA’s statutory scheme, fraudulent donors and entities accepting fraudulent donations may face criminal liability.⁵ Federal law also prohibits foreign nationals from making contributions, either directly or indirectly, “in connection with a [f]ederal, [s]tate, or local election,” or to a political party.⁶

Recent reports suggest that ActBlue may be allowing fraudulent political donations to occur on its platform. For example, CHA recently conducted a data analysis of Federal Election

¹ Rules of the House of Representatives R. X (K) Committee on House Administration, (L) Committee on the Judiciary (2023).

² See Miranda Devine, *Potential ActBlue criminal charges over possible fraud donations once again reveal the Dems’ fraud campaign*, N.Y. POST (Sept. 19, 2024); Josh Christenson, *Treasury finds hundreds of transactions linked to fundraising platform ActBlue flagged by banks: GOP memo*, N.Y. POST (Oct. 29, 2024); Breanne Deppisch, *Democrat platform ActBlue subpoenaed by House committee amid concerns foreign donors exploited security flaws*, FOX NEWS (Oct. 31, 2024).

³ *Privacy Policy*, ActBlue, <https://secure.actblue.com/content/legal-privacy-previous> (last accessed Nov. 21, 2024).

⁴ 52 U.S.C. § 30122.

⁵ 52 U.S.C. § 30109(d)(1)(D); see *United States v. Hui*, No. 2:23-mj-00865 (E.D.N.Y. 2024); Karen Zraick & Bianca Pallaro, *Chinese Magnate in Straw Donor Scheme Agrees to Leave U.S. in Plea Deal*, N.Y. TIMES (May 9, 2024) (detailing a Chinese national’s criminal conviction for operating a “straw donor scheme.”)

⁶ 52 U.S.C. § 30121.

Commission records that uncovered suspicious transactions made using ActBlue, including donations larger than the named donor could afford, “uncharacteristic donations from registered voters suddenly contributing to candidates of the opposing party,” and “unusually frequent” donations from vulnerable individuals, including senior citizens and first-time donors.⁷ Similarly, in response to an inquiry by the Committee on Oversight and Reform, the Treasury Department confirmed that it was reviewing “hundreds” of potentially fraudulent ActBlue transactions identified in suspicious activity reports from major banks.⁸

ActBlue’s previous privacy policy, which expired on August 19, 2024, indicates that ActBlue employed Sift as a “third party vendor[]” for “fraud detection and prevention services.”⁹ Yet, ActBlue’s notoriously weak anti-fraud practices opened the door for these suspicious and potentially criminal donations to occur. Evidence indicates that foreign nationals could have exploited ActBlue’s poor security measures to make fraudulent small-dollar contributions to Democrat campaigns using the names and addresses of unwitting American citizens.¹⁰ Adversaries, including China, Russia, Iran, and Venezuela, could have taken advantage of this vulnerability.¹¹

It appears that ActBlue’s “fraud detection and prevention services” likely failed to stop fraudulent transactions from occurring on the platform.¹² The potential that these bad actors may have exploited lax security measures provided to ActBlue by Sift forces the Committees to examine the potential criminal and national security ramifications. As such, to further the Committees’ oversight efforts, we request the following documents and information from January 1, 2020, to the present:

1. All documents and communications referring or relating to Sift’s efforts to deter fraudulent transactions on ActBlue, including but not limited to (a) information about Sift’s fraud detection team; (b) Sift’s guidelines for detecting potentially fraudulent transactions on ActBlue; and (c) Sift’s standard operating procedure when it detects potentially fraudulent transactions on ActBlue;
2. All documents and communications referring or relating to potentially fraudulent transactions on ActBlue, including but not limited to reports to ActBlue or Sift from U.S.

⁷ Miranda Devine, *Potential ActBlue criminal charges over possible fraud donations once again reveal the Dems’ fraud campaign*, N.Y. POST (Sept. 19, 2024).

⁸ Josh Christenson, *Treasury finds hundreds of transactions linked to fundraising platform ActBlue flagged by banks: GOP memo*, N.Y. POST (Oct. 29, 2024).

⁹ *Privacy Policy*, ActBlue, <https://secure.actblue.com/content/legal-privacy-previous> (last accessed Nov. 21, 2024).

¹⁰ Bethany Blankley, *AG Paxton: Texas Investigation Into ActBlue Uncovers Suspicious Donations*, THE CENTER SQUARE (Oct. 21, 2024).

¹¹ John Solomon, *House formally subpoenas ActBlue as feds confirm suspicious activity tied to Democrat fundraising*, JUST THE NEWS (October 30, 2024). Tony Perkins (@tperkins), X (Nov. 2, 2024, 12:10 PM), <https://x.com/tperkins/status/1852744980684837132>.

¹² Steven Richards, *Speaker Johnson shares website to check for fraudulent donations amid ActBlue scrutiny*, JUST THE NEWS (Oct. 23, 2024); see also Speaker Mike Johnson (@SpeakerJohnson), X (Oct. 24, 2024, 9:08 AM), <https://x.com/SpeakerJohnson/status/1849437890620576190>; Tony Perkins (@tperkins), X (Nov. 2, 2024, 12:10 PM), <https://x.com/tperkins/status/1852744980684837132>.

citizens alleging unauthorized or fraudulent transactions in their name;

3. All documents and communications referring or relating to the use of CVVs for ActBlue transactions;
4. All documents and communications referring or relating to the use of gift cards and prepaid cards for ActBlue transactions;
5. All documents and communications referring or relating to the potential use of ActBlue by foreign nationals, sanctioned individuals or entities, or sanctioned adjacent persons or entities to make illegal political contributions; and
6. All documents and communications between or among Sift and the Executive Branch, including federal law enforcement, referring or relating to potentially fraudulent transactions on ActBlue.

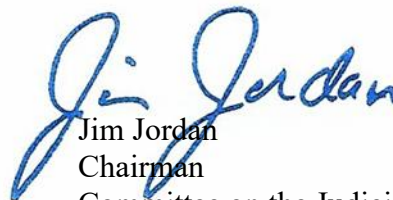
We respectfully ask that you produce the requested documents as soon as possible, but no later than 5:00 p.m. on December 23, 2024. Pursuant to the Rules of the House of Representatives, the Committees have jurisdiction to conduct oversight of matters concerning elections, civil liberties, criminal law, and U.S. national security to inform potential legislative reforms.¹³ If you have any questions about this matter, please contact Judiciary Committee staff at (202) 225-6906 or CHA staff at (202) 225-8281.

Thank you for your prompt attention to this matter.

Sincerely,



Bryan Steil
Chairman
Committee on House Administration



Jim Jordan
Chairman
Committee on the Judiciary

cc: The Honorable Jerrold L. Nadler, Ranking Member, Committee on the Judiciary

The Honorable Joseph D. Morelle, Ranking Member, Committee on House Administration

¹³ Rules of the House of Representatives R. X (K) Committee on House Administration, (L) Committee on Judiciary (2023).