



M U L T I S T A T E

[Dark money mystery: Top Pa. lawmaker helped raise cash for nonprofit whose agenda is largely a secret](#)

In early March, a little-known Pennsylvania nonprofit called the Growth and Opportunity Fund Inc. hosted a gathering of donors at a California golf resort frequented by professional athletes, Hollywood celebrities, and presidents.

The main draw at the posh La Quinta club near Palm Springs that day: state Senate Majority Leader Jake Corman, a Republican from Centre County who is next in line to ascend to the chamber's most powerful job later this year.

Unlike traditional campaign events, however, the money Corman helped the Growth and Opportunity Fund raise that day was dark money.

Launched by Ray Zaborney, a well-known political strategist who runs Corman's campaigns and also doubles as a lobbyist, the fund has been operating in Pennsylvania for six years with little public presence or policy impact.

For those seeking to influence the agenda in Harrisburg without public scrutiny, such funds are particularly useful tools. They do not have to disclose a word about who bankrolls them, and must only make public limited information on spending.

Federal law prohibits coordination between organizations such as the Growth and Opportunity Fund and political campaigns such as Corman's. The fund's La Quinta fundraiser in March overlapped with a separate golf fundraiser Corman was hosting in the same location for his own political campaign. Corman's event was also promoted by the same fundraising consultant who organized the fund's golf outing. The consultant was Jen Zaborney, Ray Zaborney's wife and business partner.

The events exemplify the tangled nature of money in Pennsylvania politics, where operatives can move seamlessly and simultaneously between campaigns, dark money groups, and lobbying, capitalizing on a system with weak rules and little oversight.

Corman said he has no relationship with the Growth and Opportunity Fund, and his campaign does not coordinate with the group. He said he decided to fundraise for it because it supports policy goals that match those of Republicans in the state Senate.

He also said he doesn't "particularly like dark money groups" but any changes to how they operate have to be made in Congress, not the state legislature.

"I have always been for more transparency and would support campaign finance laws that would increase disclosure," he said in a written statement.

Good-government advocates counter that elected officials — particularly those, like Corman, in leadership positions — should avoid fundraising or working with dark money groups in particular, because of their inherent lack of transparency. Though some state lawmakers have introduced campaign finance reform bills over the years, they have gained no momentum and have not addressed the issue of dark money.

"Elected officials make a choice to be transparent," said Suzanne Almeida, interim director of Common Cause Pennsylvania and a lawyer for the organization.

Otherwise, at events where secret money is raised, "there's an appearance of impropriety and an appearance of influence peddling," she said.

So-called dark money groups like the Growth and Opportunity Fund have been on the rise for the past decade, since a landmark U.S. Supreme Court decision paved the way for them to raise money — including from huge corporations — and spend it to influence elections unfettered by the reporting rules that traditional political groups must follow.

These groups organize under the federal tax code as 501(c)(4) social welfare organizations, which allows them to engage in political activity as long as that is not their primary purpose.

"This is the dark side of campaign finance," said Craig Holman, an expert on campaign finance reform and a lobbyist with Public Citizen in Washington, D.C. "They are the ideal cloak and dagger cover when no one knows where the money is coming from or where it is going."

A tangled political web

The Growth and Opportunity Fund Inc. was created in 2014, according to state incorporation papers and federal Internal Revenue Service records. In its first required filing with the IRS, it described itself in broad brushstrokes as “advocating and educating the public on issues important to the people of the Commonwealth of Pennsylvania, including free enterprise, limited government, economic growth and traditional values.”

“It will promote real policy solutions to create jobs, responsibly develop our plentiful energy resources and empower the private sector to move Pennsylvania forward,” it added.

The fund has consistently reported an address in downtown Harrisburg where the Zaborneys, a husband-and-wife team, run a trio of firms known as “The Mavericks”: one focused on lobbying the Capitol, a second consulting on political campaigns and crafting media strategy, and a third on political fundraising.

Ray Zaborney’s rise in Pennsylvania politics has been fast and furious. Once a relative unknown, he has over the past decade become one of the go-to operatives for electing Republican candidates, as well as for influencing public policy. His reach has expanded into other states and national politics, with at least \$11.6 million in business from federal PACs since 2011, according to Federal Election Commission filings.

One of his marquee clients since 2015 in Pennsylvania is Corman, who is widely considered the heir apparent to ascend to the top Senate leadership position later this year when Senate President Pro Tempore Joe Scarnati retires.

Zaborney’s business model, while successful, has sparked criticism that it blurs policy and politics. That is because one arm helps elect officials to the state legislature, while the other lobbies them once they are in office. His businesses are among only a handful in Harrisburg that do both campaign and lobbying work.

In an email, Zaborney, 44, said the Maverick companies may share a brand name, but they are separate entities that do not coordinate with each other, and they follow federal election policies to “avoid even the appearance of conflicts.”

He said there is a “firewall” between Jen Zaborney’s firm, Maverick Finance — the business that helped organize both Corman’s and the Growth and Opportunity Fund’s California fundraisers — and Red Maverick Media, which runs Corman’s campaign.

Jen Zaborney is listed as an employee on both companies' websites, and all of their addresses are the same in Harrisburg. Through Ray Zaborney, she declined comment.

For Ray Zaborney, the purpose behind the Growth and Opportunity Fund was to raise money for Republican-leaning causes at a time when it had become clear the GOP was going to lose control of the governor's office in Pennsylvania.

He said he got the idea for the fund while working on campaigns in 2014 in West Virginia. Though it was his brainchild, he said, he never held an official role with the group and has only done work for it as an outside vendor. (Growth and Opportunity Fund officials declined to disclose to The Caucus and Spotlight PA how much Zaborney has been paid.)

Zaborney tapped a lawyer he met while working on campaigns outside Pennsylvania to help set up the group. The lawyer, Eric Lycan, is based in Kentucky, and in 2014 he was counsel to U.S. Senate Majority Leader Mitch McConnell's campaign.

IRS records show Lycan completed the paperwork to set up the Growth and Opportunity Fund in Pennsylvania, and has filed the group's tax filings since its inception. He has also served as its treasurer or assistant secretary over the years, according to the tax filings.

Lycan, according to federal records, has helped create similar dark money groups in several states, including some at the center of an explosive, \$60 million political corruption case announced last month by federal authorities in Ohio. One of those groups, a federal political action committee, is also called Growth and Opportunity and had contracted Zaborney's company in 2016 for work in Pennsylvania.

Zaborney said there is "absolutely no connection at all" between the Pennsylvania fund and the federal PAC. No one from Pennsylvania is accused of any wrongdoing in the Ohio case.

But it offers a rare view into how and why some politicians and people trying to influence them appear to use 501(c)(4)s instead of — or in addition to — traditional political action committees.

"It's secret, a (c)(4) is secret," an Ohio political consultant allegedly told Ohio House Speaker Larry Householder in a recorded call, according to the criminal complaint against them and three others. "Nobody knows the money goes to the speaker's account, it is controlled by his people, one of his people, and it's not recorded. A (c)(4) is non-recorded."

U.S. Attorney David DeVillers, whose Ohio Southern District office brought the case and is continuing the investigation, had a different view when describing the Ohio case: “Dark money is a breeding ground for corruption.”

Lycan is not charged or identified by name in the Ohio case filings. He did not return several calls and emails seeking comment.

A revolving door of GOP influencers

Initially, Pennsylvania’s Growth and Opportunity Fund listed just one officer, according to its first IRS filing for 2014. Scott Paterno, a one-time congressional candidate and son of the late Penn State football coach Joe Paterno, is listed as its only director.

Paterno declined to be interviewed for this story, saying only that within days of the group being formed he was “placed into a coma with H1N1.”

“I ended up never having an active role,” he said in a text message, though his name appeared on the group’s IRS filings for the next two years.

Dan Meuser, Gov. Tom Corbett’s one-time revenue secretary, signed as the group’s president in 2015. He was also listed prominently on the fund’s website at the time.

Meuser remained in a leadership position with the fund at least through 2016, according to the group’s website and tax filings. Meuser, now a GOP congressman from Luzerne County, did not return phone calls and emails to his congressional offices seeking information about his time at the fund’s helm.

Since then, other directors have cycled in, including Jeff Bartos, a one-time candidate for lieutenant governor. Bartos ran on a Republican ticket led by former state Sen. Scott Wagner that unsuccessfully sought to unseat Gov. Tom Wolf in 2018. Zaborney’s campaign firm, Red Maverick, represented the Wagner-Bartos ticket. It also did work in the past for Meuser’s congressional campaign.

Cody Harbaugh, who works for Zaborney’s Red Maverick firm, is now the Growth and Opportunity Fund’s executive director. Its president is Jim D’Innocenzo, the vice president of Government Affairs for Comcast. Its other directors are Jason Klipa, a top lobbyist in Harrisburg for Walmart, and Pete Gleason, a high-profile Harrisburg-based lobbyist, according to a statement provided by the fund. Neither Klipa nor Gleason agreed to be interviewed.

But the process of unraveling who exactly is involved in the fund — and in what position — is not as easy as reviewing its official tax filings. They have errors, for instance, with Gleason and Bartos listed as directors on the fund's 2018 IRS filing. Fund officials said neither man was associated with the group then, only joining in 2019. The filing also used the wrong surname for Gleason and is now being amended — at Gleason's request — after questions from The Caucus and Spotlight PA.

Harbaugh, a one-time political director for the state Republican party, did not respond to requests for an interview. In a prepared statement, he said the Growth and Opportunity Fund “was created to advocate against policies that hurt our state's economy and our working families.”

“We have undertaken public advocacy projects to oppose job-crushing taxes, to promote economic development and to ensure our education system has the money it needs at a price taxpayers can afford,” he said.

He declined to elaborate.

The fund has reported raising \$820,998 and spending \$444,634 from 2014 through 2018, according to its latest available tax filings.

While the fund is not required to disclose its donors, The Caucus and Spotlight PA were able to identify a handful through other publicly available records.

The International Brotherhood of Electrical Workers Local 98 in Philadelphia, a major player in Pennsylvania politics, gave the fund \$30,000 in 2017 for “financial support,” according to the union's tax filing.

In 2019, Bartos donated \$18,500 from his former campaign account. The Horsham Republican Party in Montgomery County gave \$15,000, and Steamfitters Local 420 in Philadelphia gave \$10,000 the same month in 2019. Another \$2,500 came from former Chester County U.S. Rep. Ryan Costello's campaign and \$6,000 from Lower Merion Township Commissioner Scott Zelov's PAC.

Bartos, both a director and a donor, did not respond to several calls and emails.

A hidden agenda

How the fund used those donations is mostly a mystery.

Its tax filings and social media posts point to a few attempts at policy-oriented advertising and outreach campaigns, mostly in 2015 and 2016.

One, called “Pennsylvania Answers the Governor,” had its own Facebook page and website that was active starting in 2015. During a historic budget stalemate in Wolf’s first year in office, videos produced for the campaign depicted business owners and others who appeared dismayed at how the new governor had “lost touch” with his constituents.

According to the now-defunct website, people featured in the videos were asked “a simple question: ‘How will Gov. Wolf’s tax increases impact you?’”

“The answers are unscripted and completely voluntary,” the website read. “No professional actors. No compensation. They just answer the question by speaking directly to their governor.”

The Growth and Opportunity Fund’s 2016 tax filing also stated that \$132,105 in spending that year was for organizing a “Put Pennsylvania Families First petition,” and urging the public to contact their elected officials to “oppose higher taxes and support pending budget bills.”

But what the fund has been doing since Wolf’s 2018 re-election, while still raising money, is more ambiguous.

Its main website had been shut down but was resurrected this month after The Caucus and Spotlight PA questioned fund officials about it. The Twitter account hasn’t posted anything since October 2017. The Facebook page promoted news stories and opinion articles in 2019 and early 2020 but was inactive until, again, the news organizations began asking questions.

D’Innocenzo provided a draft copy of a newsletter the Growth and Opportunity Fund said it intends to circulate this summer. The draft says it “has launched a series of digital advertising campaigns in various regions throughout Pennsylvania.” It does not identify any specifics.

Asked about when and where those digital ads will appear, and about other general fund activities, D’Innocenzo only said, “I am not going to disclose the internal strategies of the GO Fund.”

There is also no indication in campaign finance reports that the fund spent money indirectly to support or oppose any candidates, like other 501(c)(4) social welfare organizations do. Facebook’s public database for political ads shows the fund spent \$6,733 on ads since last summer — most recently this June to support Republican state Sens. John DiSanto, of Dauphin

County, and Dan Laughlin, of Erie County. Both senators are up for reelection in two of the most competitive Senate districts this year.

Still, it's unclear how the group has spent the majority of its money. According to its most recent IRS filing, the group had a balance of \$370,823.

Also unclear is how much the Growth and Opportunity Fund raised from its March golf event at the La Quinta resort, or who attended it. D'Innocenzo declined to provide that information, or say whether the same donors contributed at both events.

That event with Corman coincided with the senator's annual fundraising trip to California, according to his campaign. In years past, Corman has held golf outings in Pebble Beach and Torrey Pines. This year, he held his fundraiser at the same golf resort in La Quinta where the Growth and Opportunity Fund held its event with donors.

Corman's two-day fundraiser began March 4 with a cocktail reception at the La Quinta Cliffhouse Grill and Bar, and ended March 5 with a day of golf at La Quinta's Stadium Course at PGA West, according to his campaign.

That evening, the Growth and Opportunity Fund held a reception for donors, where Corman was the special guest. The next day, March 6, golfers played at the nearby Mountain Course.

"Contributions of \$5,000 or more will be reported to the Internal Revenue Service on IRS Form 990 as required by law; however, the IRS does not make this information public," the Growth and Opportunity Fund invitation noted.

Jen Zaborney was the contact for both events, but Corman's campaign and officials with the Growth and Opportunity Fund denied any coordination. They did not answer questions about whether both groups' events have coincided at the same time and place in previous years.

Public campaign reports filed this year for Corman's two political committees — Corman for Senate and Build PA PAC — show they paid the Zaborneys' companies, Red Maverick Media and Maverick Finance, about \$47,500 in the weeks after the California events.

The payments are described vaguely in the public reports as being for "reimbursements" for an "event," making it impossible for the public to know exactly what that money was for.

Such vague descriptions were the focus of an October investigation by The Caucus and Spotlight PA that revealed how political campaigns like Corman's use overly broad descriptions when

reporting expenses, making it nearly impossible for the public to know their true purpose — or the beneficiary. The investigation found lawmakers had secretly spent campaign dollars on lavish dinners, foreign trips, and sporting tickets.

In response, a top Senate Democrat introduced a sweeping campaign finance reform bill that would require candidates to itemize their spending. But the measure has languished without a hearing, even though Republicans who control the chamber said they support more transparency.

In the weeks after La Quinta, Corman's two political committees reported bringing in \$119,000, according to his campaign finance reports. Donations included at least \$10,000 from Robert Green, chairman of a horse racing company; and donations up to \$5,000 from corporate PACs such as Walmart, Sheetz, Vistra Energy, and FirstEnergy.

In his statement, Corman said he does not receive donations from or share expenses with the Growth and Opportunity Fund, and that the payments to Zaborney's firms were for his fundraiser.

[Tardy Ethics Report Expected in 'Coming Weeks'](#)

The Joint Commission on Ethics and Lobbying Reforms failed to release a report at the end of March, but a report is expected in the “coming weeks,” the group's co-chairs said.

Last year the commission of lawmakers and representatives from the Attorney General's office and the Secretary of State's office was created following several lawmakers being indicted for crimes and others being under investigation. The group was given the task to come up with reforms to lobbying and ethics with a report due March 31.

The report was never filed. The commission hasn't met since the beginning of the COVID-19 pandemic in Illinois in early March.

[Click here for summary](#)

“The Commission will meet to submit the final report to the General Assembly in the coming weeks,” said a joint statement from Co-Chairs of the Joint Commission, state Sen. Elgie R. Sims, Jr., D-Chicago, state Rep. Greg Harris, D-Chicago, and commission members state Sen. Cristina Castro, D-Elgin, and state Rep. Kelly Burke, D-Evergreen Park.

The statement followed a virtual press conference from commission members state Reps Grant Wehrli, R-Naperville, and Patrick Windhorst, R-Metropolis, and state Sens Dan McConchie, R-Hawthorn Woods, and John Curran, R-Downers Grove, who demanded more hearings.

Wehrli said Illinoisans will continue to be hit with a corruption tax if it goes unaddressed. After listing several committees and commissions that have met during the pandemic, Wehrli demanded ethics reform hearings continue and blasted Democratic leaders he said are delaying.

“They’re going to simply try to play out the clock, get past the November elections, and not address this crisis in confidence that we have in the state of Illinois,” Wehrli said.

The Democratic co-chairs of the commission said it’s unfortunate Republicans are politicizing the issue and that a report will be released in the coming weeks.

“While our state is still hurting from the effects of the pandemic and cases continue to rise, we’re all trying to help our constituents the best we can, now is not the time to work against each other,” the Democratic members of the commission said. “We remain dedicated to finding meaningful ethics reform that restores the people’s trust in government and look forward to continuing the discussion in the coming weeks.”

Separately, Alisa Kaplan with Reform for Illinois, said she understands the push to get lawmakers on the record for reforms before many are up for reelection. But Kaplan said without reviewing the latest allegations involving ComEd, rushed reforms may miss the mark.

“There’s a need for more meetings, and more discussion, and perhaps even discussion of more rigorous oversight or expanded proposals than were considered back in the winter,” Kaplan said.

Kaplan's group, along with other groups like the Better Government Association and Change Illinois, were part of several meetings addressing loopholes and providing recommendations earlier this year before the hearings were canceled.

Since the last time the commission met in early March, additional revelations regarding federal investigations of state lawmakers and lobbyists have surfaced. In July, ComEd entered into a deferred prosecution agreement with federal prosecutors in exchange for cooperating in an ongoing investigation. That agreement implicated longtime Illinois House Speaker Michael Madigan, D-Chicago. He has not been charged with a crime and has denied any wrongdoing.

Republicans on Monday said Madigan’s control over the campaign funds for the Democratic Party of Illinois was an ethical concern.

“[Madigan’s control of the political map every ten years] and then as well as the millions of dollars that he is able to raise and control, as the only elected official who is also the head of his state’s party, he’s the one that controls that checkbook,” McConchie said. “So when you control the map and you control the checkbook, those are two major aspects in the way that you help elect people.”

Earlier this month when asked about Madigan being in control of the party's purse strings while dictating what advances at the statehouse, state Sen. Andy Manar, D-Bunker Hill, shot that down. He said the discussion wasn't about campaign finance.

“This is not a discussion about the Democratic Party of Illinois or campaign finance,” Manar said. “This is a discussion about strengthening statute to inject transparency and accountability for the conduct of legislators, lobbyists, and our leadership.”

Kaplan said on Monday campaign finance is definitely part of ethics reforms, and is foundational.

“Money plays an absolutely essential role in all types of corruption, obviously, and then how the powers that be controlled the state government establishment,” Kaplan said. “You can’t fully address these ethics issues without addressing campaign finance reform.”

Kaplan said campaign finance reforms are nearly as difficult as ethics reforms and will take time to get right.

Democrats and Republicans have for weeks been putting out various proposals with a lot of overlap, showing bipartisan support.

Both sides appear to agree on term limits for legislative leaders, more definitions and regulation for lobbyists and requiring a cooling off period between leaving the legislature and becoming a lobbyist, and certain procedures to hold legislators accountable through hearings or independent investigations from the Legislative Inspector General.