

Documents and testimony from ACORN whistleblowers reveal that ACORN activities – despite contentions they are intended to help the poor – fulfill a self-serving and political purpose

WASHINGTON D.C. – Oversight and Government Reform Committee Ranking Member Darrell Issa today [released a new report](#), “Follow the Money: ACORN, SEIU and their Political Allies” as a follow-up to a report on ACORN released July 23, 2009. The report includes new information gathered by committee investigators including over 50,000 pages of documents from ACORN offices in California and Oklahoma, from ACORN insiders in Missouri, Colorado, New York and Louisiana, and from Secretary of State offices and other election officials in nearly every state in the continental United States.

“Perceptions that ACORN is a charitable organization are simply wrong and part of ACORN’s efforts to deceive the American people,” said Rep. Issa in releasing the report. “ACORN is a political machine that uses a complex corporate web, connections to the SEIU, and powerful political allies to break laws in pursuit of a partisan agenda. This report shines more disinfecting sunlight on ACORN’s secretive methods of abusing taxpayer funds and charitable donations.”

Highlights of the report include:

- “Muscle for the Money” – Muscle for the Money involves using non-profit corporations for electioneering activities and an SEIU strategy to threaten corporations and banks into brokering deals for ACORN’s financial benefit. SEIU and Project Vote used litigation to force demands from government officials. ACORN, through Project Vote, threatened State Secretary of State offices with lawsuits, thus forcing political compromises at the expense of taxpayers.

- SEIU and ACORN are substantially intertwined – SEIU and ACORN jointly manage SEIU Local 100; SEIU Healthcare Illinois Indiana; SEIU Local 21A; SEIU Local 32BJ; SEIU Local 52BJ; SEIU Local 880; and SEIU Local 1199. SEIU aided and encouraged ACORN to put pressure on banks, to use its federally-funded affiliates to target political candidates, and to threaten public officials with litigation. ACORN took the lead in these activities and SEIU was the willing accomplice.

- ACORN profited from the misery of the financial collapse – ACORN Housing (AHC) financially profited from efforts to intimidate banks into lowering down payment and mortgage lending standards – a trend that contributed to the financial crisis. ACORN used provisions in the Community Reinvestment Act (CRA) of 1977 to challenge bank mergers and acquisitions. These challenges successfully forced banks to make lending agreements with ACORN Housing. ACORN is one of the few entities that actually profited from the misery created by the collapse of the housing bubble.

- ACORN is not a charity – ACORN filed corporate income tax returns with the Internal Revenue Service and failed to file a Form 990, a requirement for non-profit status in several states where ACORN does business. In some states, ACORN fraudulently informed state Secretary of States that it was tax-exempt in order to avoid state corporate taxes.

- Accounting irregularities involving ACORN affiliated charities – ACORN received large amounts of money from its nonprofit affiliates while giving significantly less back in return, suggesting wide-spread subversive accounting practices. Based upon ACORN affiliates' tax-exempt disclosures, there are substantial discrepancies between ACORN's own audits and what has been officially reported to the IRS. Nearly 40% of the disbursements from three of ACORN's 501(c)(3) affiliates to ACORN's national organization come in the form of gifts and grants for which no real reason is given for the transfer of funds.

[Click here to read the February 18, 2010, report – “Follow the Money: ACORN, SEIU and their Political Allies”](#)

[Click here for the July, 23, 2009, report “Is ACORN Intentionally Structured as a Criminal Enterprise?”](#)

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