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November 27, 2023

The Honorable Bryan Steil
Committee on House Administration
1309 Longworth House Office Building
Washington, DC 20515-6157

Dear Chairman Steil:

This letter is in response to your October 31, 2023 letter to ActBlue. We appreciate the opportunity to share with you ActBlue's efforts to promote transactional security and fraud prevention, including review of questionable contributions, use of external fraud prevention tools, and additional security measures for contributions that appear to come from outside the United States.

ActBlue's non-profit mission is to support the ability of Americans, in particular small-dollar donors, to participate in the political process by contributing to candidates and causes of their choosing. In pursuit of this mission, ActBlue employs a robust security program and fraud prevention practices to verify the identity of donors, prevent fraudulent use of credit card information to make donations, and block impermissible contributions. We designed these practices to ensure donor payment security and to facilitate compliance by entities that use ActBlue's platform with applicable federal, state, and local campaign finance laws, including the federal prohibition on foreign national contributions.

ActBlue acts as a conduit for individual contributions made on our platform to federal candidates and committees. As your letter acknowledges, candidates and committees that solicit and receive contributions through conduits are ultimately responsible for ensuring any contributions they receive comply with the law. However, our processes and procedures help ensure that potentially impermissible contributions are promptly and effectively examined, and if necessary, rejected. In this regard, ActBlue provides additional layers of compliance and security that contributions made directly to a candidate or committee using traditional for-profit vendors may not.

For donors, our processes and procedures foster trust that ActBlue's platform for contributions is safe and secure; for candidates and committees, they promote compliance with legal obligations. Our approach is multilayered, with checks and confirmations occurring throughout the donation process to verify donors and donor information. These measures, which include compliance measures, technological tools, and manual reviews, help to ensure the identity of donors, root out potential foreign contributions, and protect donors from financial fraud.

As described herein, ActBlue employs a variety of steps to confirm the permissibility of contributions and prevent fraudulent transactions:

1. ActBlue provides clearly disclosed contribution rules and collects donor information that comply with federal requirements. ActBlue provides clearly disclosed contribution rules to donors prior to making a contribution to a candidate or committee stating, among other things, that only U.S. citizens or lawfully admitted permanent residents (i.e., green card holders) may contribute and that contributions are made on a personal credit card and not with a card issued to another person. ActBlue collects and forwards donor information required by law and necessary for determining a contributor's identity and the permissibility of their contributions.
2. Passport information is required from donors providing an address outside of the United States. When a donor selects any country other than the United States on an ActBlue contribution form, a United States passport number field appears. Only donations with passport information are processed.
3. Contributions are reviewed for the possibility that a donor provided a foreign address even if the donor selected the United States as their country. Contributions that indicate a foreign country in the address information are set aside for manual review. If a contribution appears to be from a foreign address, ActBlue contacts the donor to request United States passport information. The contribution is refunded if we are unable to make contact with the donor.
4. Contributions are checked for indications of fraud and foreign activity using an external fraud prevention tool. ActBlue employs a leading fraud detection and management system used by major companies across a range of industries. This tool automatically assesses contributions for potential fraud and assigns a fraud score. Depending on the score, contributions are either automatically accepted, automatically rejected, or set aside for manual review. This tool uses behavioral modeling technology that has become standard in the payments industry. It evaluates over 140 behavioral signals such as the age of the card, card type, the issuer country, recent address changes, and proprietary signals at the individual cardholder level to help flag fraudulent behavior. These signals help detect whether a card is being used fraudulently, e.g., by someone other than the actual donor, and they help detect whether a card may be associated with a foreign contributor. Every day, staff at ActBlue manually review contributions that were flagged for further review by our fraud detection tool. This review looks at the totality of circumstances, including the identified risk factors, donation history and patterns, and the information

- provided by the donor on the contribution form. Donations are then rejected or accepted manually.
5. ActBlue uses the industry-standard Address Verification Service (AVS) to ensure cardholder addresses match those at issuing banks. AVS is a long-standing fraud prevention tool built and maintained by the credit card networks to ensure that a cardholder's self-reported billing address at the time a transaction is processed matches the address that the issuing bank has on file for that cardholder. ActBlue uses this service to verify transactions before processing and approving them, again ensuring that donor identities are verified.
 6. Contributions processed via ActBlue's payment processor are blocked if they trigger a rules-based fraud prevention system. At the time a donor makes a contribution, ActBlue's payment processor analyzes the payment details using a rules-based fraud prevention system. The contribution will be blocked if it does not meet the standards of those rules.
 7. ActBlue has a robust credit card security program to protect donor information. ActBlue is an externally audited Payment Card Industry Data Security Standard (PCI DSS) certified Level 1 service provider. ActBlue's transaction processing technology stack is externally audited and is certified as PCI level 1, which is the highest level of certification possible. As part of maintaining this certification, external auditors verify that our credit card processing technology and security measures are implemented and maintained in accordance with the Payment Card Industry Data Security Standards Council.

You inquired specifically about "credit card security codes," commonly referred to as Card Verification Values ("CVV"), which are an optional measure used to help verify that the person making a transaction is in physical possession of the card being used, not to verify the identity of the cardholder. Traditionally, CVV numbers have addressed fraud in transactions where material goods or services are provided in order to prevent chargebacks for stolen goods, which is not the case with political contributions. Still, we currently require and use CVV on many transactions across the site, and have been in the process of increasing coverage of CVV to improve the donor experience.

ActBlue plays a pivotal role in enabling Americans to make contributions to candidates and causes of their choosing. We take seriously our responsibility to help ensure that donors are able to make contributions safely and securely, and that candidates and committees are able to fulfill their legal requirements in accepting contributions. We are confident that ActBlue's processes and procedures work to build a shared trust among donors, candidates, and PACs



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and support compliance with campaign finance laws. The donor verification and fraud prevention measures we have described meet legal requirements, address the concerns you raise, and will continue to evolve as needed in response to new security threats and technological opportunities.

Sincerely,

A handwritten signature in black ink, appearing to read 'Regina', written over a light blue horizontal line.

Regina Wallace-Jones
CEO & President