SERIES: CORRUPT AMERICA ♦

Sixty Million to Buy a Statehouse

An Ad Wrangler illustrated story







From the film

MARTY

Sixty million dollars moved through a nonprofit that was not required to name its donors, paid for political campaigns across the state of Ohio, and resulted in a billion-dollar surcharge on every electric bill in the state. I'm Marty Shepard, and this is Corrupt America.

CAROL

Sixty million dollars invisible to the public. I keep trying to find the scale of that — it's not a contribution, it's a construction project. Except what got built was a law.

MARTY

What got built was a law — House Bill six, passed by the Ohio legislature in July of twenty nineteen and signed into law that same month. The law created a monthly charge on Ohio electricity customers, residential and commercial alike, directing roughly one billion dollars toward two aging nuclear power plants owned by FirstEnergy Solutions, a subsidiary of the utility company FirstEnergy Corporation. The plants were Perry and Davis-Besse, both in northern Ohio, both expensive to run, both struggling to compete in the energy market.

CAROL

So the law required ordinary ratepayers to subsidize a private company's struggling assets. Not voluntarily — just as a line on their bill, whether they knew about it or not.

MARTY

Whether they knew about it or not, and they were never asked. The man who moved that bill through the Ohio House of Representatives was Larry Householder, who had served in the state house in the nineteen nineties, left for a period, returned in twenty seventeen, and by January of twenty nineteen was Speaker. That speakership, court records would later establish, was itself purchased with FirstEnergy's money.

MARTY

The mechanism was a nonprofit called Generation Now, registered under a federal tax category that does not require public disclosure of donors. That is a legal structure, widely used in American politics. What made it criminal in this case was what the money actually bought. FirstEnergy funneled roughly sixty million dollars into Generation Now between twenty seventeen and twenty twenty. Generation Now's stated purpose was policy advocacy. Its actual function, prosecutors alleged and a jury found, was to elect Householder-aligned candidates to the Ohio House, secure him the speakership, pass House Bill six, and then protect that law from repeal.

CAROL

Before you go further — I want to make sure I have the shape of this right. The company paid for the speakership, and the Speaker then passed the company's bill. It's not how people usually picture a bribe — it's more like buying the whole switchboard rather than placing a single call.

MARTY

That is exactly how prosecutors framed it. A pay-to-play scheme: Householder received money, political infrastructure, and resources; FirstEnergy received legislation. House Bill six created what was labeled the Ohio Clean Air Program — a name that had nothing to do with air quality and everything to do with a monthly surcharge on electricity bills across the state. Estimates put the total transfer to FirstEnergy Solutions at approximately one billion dollars over the life of the program.

CAROL

There it is on the bill every month — a line you might not read the label on, or wouldn't know to question even if you did. That's where the sixty million dollars actually lands. In the mailbox.

MARTY

In the mailbox. But opponents noticed, and Ohio has a provision for citizen-initiated referendums — if enough registered voters sign a petition, a law can be put to a public vote. A coalition formed, gathered signatures, and came close to qualifying a repeal measure for the ballot. What happened next is where the full scale of the operation becomes visible. Generation Now spent an estimated thirty-eight million dollars to kill the repeal campaign — hiring paid circulators to approach petition signers and persuade them to revoke their signatures, running advertising, and deploying other means to collapse the effort. The repeal campaign failed.

CAROL
They used the same money to close the door after they walked through it. That's not a political strategy — that's a locksmith service.

MARTY
It is. And that might have been the end of the story, except that the Federal Bureau of Investigation had been watching for some time. In July of twenty twenty, agents arrested Larry Householder and four co-defendants on charges of racketeering conspiracy. Among those co-defendants was Matt Borges, who had served as chairman of the Ohio Republican Party. Householder, in the days following his arrest, declared he would fight the charges and retain his speakership. His colleagues in the Ohio House voted him out as Speaker within about a week.

CAROL
I keep thinking about the people who had worked alongside him for years and had to sit in that chamber and take that vote. Whatever you thought of what he did — that's a very public end to something that was built over a very long time.

MARTY
In the months that followed, FirstEnergy Corporation itself entered into a deferred prosecution agreement with the Justice Department — admitted its role in the scheme, paid a fine of two hundred and thirty million dollars, and cooperated with investigators. Several senior executives departed. Two of the original five defendants entered guilty pleas before the case reached trial.

CAROL
Two hundred and thirty million dollars paid, the company cooperated, and Householder still went to trial. The company buying its way out didn't buy him anything.

MARTY
It did not. The trial of Larry Householder and Matt Borges began in January of twenty twenty-three. In March of twenty twenty-three, both men were convicted — Householder on the charge of racketeering conspiracy. In June of twenty twenty-three, a federal judge sentenced Householder to twenty years in federal prison. He is currently serving that sentence at a facility in Oklahoma.

CAROL
Twenty years. He was in his mid-sixties at sentencing. You do that arithmetic and it is simply what it is.

MARTY

Matt Borges received a sentence of five years and was released early, in October of twenty twenty-five. Householder appealed his conviction and pursued that appeal as far as it could go. In April of twenty twenty-six, the United States Supreme Court declined to hear the case. The conviction stands. The twenty-year sentence stands.

CAROL
He went all the way to the end of every available road and the answer was still no. There is something genuinely final about that — no political operation reverses a Supreme Court refusal.

MARTY
House Bill six was substantially amended after the arrests, and portions of the surcharge were wound back. But the money flowed to FirstEnergy Solutions for years before that happened. The people who paid electric bills in Ohio during that period paid it — a surcharge on the cost of keeping plants running, passed by a Speaker whose position had been bought with the utility's money. Most of them never knew Larry Householder's name.

CAROL
That's what I keep returning to. The people who were harmed were just — paying their bills. Doing the ordinary responsible thing, every month, not knowing they were subsidizing an arrangement that a federal jury would later call a criminal conspiracy.

MARTY
And the question the case leaves standing is this: Generation Now was a legal container. The nonprofit structure, the donor privacy, the capacity to move very large sums of money into political outcomes without any public disclosure — none of that was illegal in itself. What was illegal was the explicit exchange: money for legislation, negotiated between a utility company and a politician who controlled the floor. It took a cooperating witness and years of federal investigation to see inside the container. Without those, it was invisible by design. I'm Marty Shepard.

CAROL
And I'm Carol. Thanks for sitting with us.