

June 5, 2024

The Honorable Mike Johnson Speaker U.S. House of Representatives Washington D.C. 20515 The Honorable Hakeem Jeffries Minority Leader U.S. House of Representatives Washington D.C. 20515

RE: H.R. 8290 – Foreign Grant Reporting Act

Dear Speaker Johnson and Leader Jeffries:

On behalf of the Institute for Free Speech, <sup>1</sup> I am writing to express our deep concerns about H.R. 8290 ("Foreign Grant Reporting Act"). This bill would seriously harm the ability of U.S. citizens to support the exempt missions of 501(c) organizations that are doing vital work abroad to promote freedom.

This bill would require 501(c) organizations that provide a grant to a foreign organization to report additional information, including the organization's name and address, on a publicly available document.

The United States has a robust tradition of free and open speech and association. Unfortunately, large parts of the world do not. If adopted, this bill will pose direct threats to foreign nationals and U.S. citizens who choose to exercise their First Amendment rights at home and risks chilling First Amendment activity.

This bill is a blueprint for hostile countries that wish to target, harass, and harm foreign beneficiaries of charitable support from American citizens. For example, imagine that a U.S.-based charity supports religious minorities in a country where there is a state-sponsored religion. The public reporting requirements of this bill would provide that country's authorities with a road map to find and persecute the beneficiaries of U.S. charitable support.

While donors to such nonprofits are generally confidential, some are not. Directors and officers are listed in the publicly available portion of the return. Additionally, both the states and the IRS have leaked thousands of returns' confidential donor information. And, on May 27, we learned that "as many as 70,000 taxpayers have been affected by the disclosure" of confidential tax return information by Charles Littlejohn.

<sup>&</sup>lt;sup>1</sup> The Institute for Free Speech is a nonpartisan, nonprofit 501(c)(3) organization that promotes and defends the First Amendment rights to freely speak, assemble, publish, and petition the government.

<sup>&</sup>lt;sup>2</sup> See Ira Stoll, I'm a Crime Victim—ProPublica Has My Tax Returns, The Wall Street Journal (May 27, 2024), https://www.wsj.com/articles/im-a-crime-victim-propublica-has-my-tax-returns-6cdaee72

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This bill could also have severe consequences for U.S. citizens who travel abroad. For example, just this past February, a dual U.S.-Russian citizen was arrested for treason when she went to Russia to visit her 90-year-old grandmother.<sup>3</sup> Her offense? Making a \$51.80 donation to a charitable organization supporting Ukraine.<sup>4</sup>

These concerns are not just limited to traditionally hostile countries. During the 2022 anti-mandate trucker protests in Canada, Canadian Justice Minister David Lametti threatened to freeze bank accounts of U.S. citizens who donated to support the protests.<sup>5</sup>

American citizens should not have to risk arrest or having their bank accounts frozen by overreaching foreign states to exercise their First Amendment rights here in America. Tax-exempt organizations are doing vital work to promote freedom around the world.

The public reporting requirements of H.R. 8290 put U.S. citizens and the foreign nationals they choose to associate with at risk of retaliation from hostile foreign governments and would impede the meritorious work of numerous nonprofits.

Sincerely.

David Keating President

<sup>&</sup>lt;sup>3</sup> See Sebastian Shukla, Nathan Hodge, Anna Chernova, Maria Kostenko and Christian Edwards, *Russia arrests US-Russian citizen for treason after she gave \$51 to Ukraine, employer says*, CNN (Feb. 21, 2024), <a href="https://www.cnn.com/2024/02/20/europe/russia-arrest-us-dual-citizen-intl/index.html">https://www.cnn.com/2024/02/20/europe/russia-arrest-us-dual-citizen-intl/index.html</a>.

<sup>&</sup>lt;sup>4</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> See Keith Griffith, Outrage as Trudeau's justice minister compares Freedom Convoy donations to 'terrorist financing', says donors are part of 'pro-Trump movement' and threatens to FREEZE their bank accounts, Daily Mail (Feb. 17, 2022), <a href="https://www.dailymail.co.uk/news/article-10523525/Trudeaus-justice-minister-compares-Freedom-Convoy-donations-terrorist-financing.html">https://www.dailymail.co.uk/news/article-10523525/Trudeaus-justice-minister-compares-Freedom-Convoy-donations-terrorist-financing.html</a>; U.S. donors to trucker protest convoys 'ought to be worried': Lametti, CTV News (Feb. 16, 2022), <a href="https://www.youtube.com/watch?v=Qisd2juHvps">https://www.youtube.com/watch?v=Qisd2juHvps</a>.