



December 11, 2024

Majority Leader Schumer
322 Hart Senate Office Building
Washington, D.C. 20510

Minority Leader McConnell
317 Russell Senate Office Building
Washington, DC 20510

Re: "H.R.9495 - Stop Terror-Financing and Tax Penalties on American Hostages Act"

Dear Majority Leader Schumer and Minority Leader McConnell:

On behalf of the League of Women Voters of the United States (the League), we urge you to reject movement on policies that would have wide-ranging and detrimental impacts on nonprofit organizations across the political spectrum like those contained in H.R.9495 and S.4136.

The League is a 104-year-old nonpartisan nonprofit committed to ensuring that everyone is represented in our democracy. We are a grassroots organization comprised of over one million members and supporters in all 50 states and the District of Columbia across 700 local and state Leagues. The League focuses on advocacy, education, litigation, and organizing to achieve our mission to empower voters and defend democracy. We base our work on our policy positions developed out of multi-year studies and derived through consensus by League membership, to ensure our advocacy reflects best practices and a nationwide perspective.

The policy contained in S.4136 and H.R.9495 would grant the Treasury Secretary the authority to suspend the tax-exempt status of organizations deemed "terrorist supporting" without providing meaningful due process. As part of the League's policy position on a citizen's right to know and citizen participation, the League has opposed numerous attacks on nonprofit organizations' ability to advocate. The League of Women Voters of the United States believes that democratic government depends upon informed and active participation at all levels of government. It is part of our mission to engage our network of advocates at all levels of government and this activity hinges upon our tax-exempt status and ability to speak freely.

The freedom to dissent without government retribution is a vital part of our democracy. Thus, it would be irresponsible to grant the executive branch the power to unilaterally investigate and functionally shut down its critics. This proposed legislation would infringe on constitutionally protected free speech by



allowing *any future presidential administration* to terminate the tax-exempt status of nonprofit organizations. Nonprofit groups on both ends of the ideological spectrum could be harmed by the lack of guardrails in the executive authority in this policy.

The executive branch already has extensive authority to prohibit nonprofit organizations from engaging with entities it deems connected to terrorism. Additionally, nonprofit organizations are already prohibited from providing material support to terrorist organizations. Consequently, this proposed legislation would only serve to remove accountability and due process from the existing executive powers. The executive branch could use this authority to target its political opponents and use the fear of crippling legal fees, the stigma of the designation, and donors fleeing controversy to stifle dissent and chill speech and advocacy.

Thank you for your consideration of this matter. For questions, please feel free to reach out to our staff via Kristen Kern, federal policy and advocacy manager for the League of Women Voters of the US, at kkern@lww.org.

Sincerely,

A handwritten signature in black ink that reads "Jessica Jones Capparell". The signature is written in a cursive, flowing style.

Jessica Jones Capparell
Director, Government Affairs
League of Women Voters of the US