

S. 2747 Freedom to Vote Act Harms Nonprofits and Private Giving

S. 2747 “Freedom to Vote Act” includes speech-chilling provisions and will harm issue-advocacy groups and nonprofits across the political spectrum.

What is in the bill and how would it harm America’s nonprofits?

Exposes 501(c) organization donors to doxxing.



The **Spotlight Act** would require certain nonprofit organizations to **report the names and addresses of donors** to the Internal Revenue Service.

- The bill reverses recent reforms that eliminated the requirement for certain nonprofits to report their supporters’ confidential information.
- This would render nonprofit donors vulnerable to doxxing.
- In addition to invading their privacy, the IRS does not need this information to enforce tax law.

Forces nonprofits to choose between spreading their message and protecting their donors’ privacy.



The **DISCLOSE Act** will require nonprofits to **report donors to the FEC** for common types of communications and **require organizations to declare whether they support or oppose a political candidate**, even if the ad was not about the campaign.


- The bill creates a new category of expenditures called “campaign-related disbursements” that include speech common for nonprofits, such as mentioning a federal candidate even if the ad has nothing to do with his or her campaign.
- Organizations making “campaign-related disbursements” totaling more than \$10,000 during a two-year “election reporting cycle” (or a calendar year for “federal judicial nomination communications”) must publicly report the names and addresses of all donors giving \$10,000 or more during that period to the FEC.
- Any speech that mentions a federal candidate would trigger a filing requirement to report whether that speech advocates for or against him or her—even if the message has nothing to do with a campaign.
- Requires reporting of all vendors paid \$1,000 or more.

Grant-making nonprofits will have to shut down philanthropic efforts to protect donors and themselves from liability.



The **DISCLOSE Act** would harm philanthropy by requiring nonprofits that make grants or payments to another organization to disclose their donors to the FEC if the receiving organization plans to make “campaign-related disbursements” totaling \$50,000 or more *within the next two years*. Granting organizations will then be put in the difficult position of having to predict what the receiving organization will do in the future.

Unfairly hurts small and emerging nonprofits that do not have the resources to hire attorneys to navigate confusing regulations and reporting requirements.

 The **Honest Ads Act** creates heavy **regulatory and cost burdens** for American nonprofits by **expanding reporting requirements** for paid internet and digital communications.

- Expands the definition of “electioneering communication” to include any paid ad mentioning a federal candidate within a 30- or 60-day window of their election. This impacts ads that are not targeted to a candidate’s voters, creating disclosure requirements for ads that are focused on an issue (such as “Trump’s border wall” or “Biden’s infrastructure package”) rather than the candidate’s election.
- Subjects popular internet-based platforms, such as social media sites, to potential regulation, including an organization’s regular content that is posted by staff, search engine results, mobile apps, organizational websites, and email.
- Creates confusing reporting requirements by requiring advertisers spending as little as \$500 annually on the online platform to report a long list of information about the ad in a “public file.”
- Requires online ads to include an inflexible and impractical disclaimer, such as those required for broadcast ads.
- Establishes legal liability for online platforms which will add regulatory costs.
- Hurts law-abiding American nonprofits, while doing little to discourage foreign interference in elections.
- Infringes on First Amendment rights. Notably, a federal appeals court struck down a similar law enacted in Maryland in 2019 for that reason.

Combined these provisions:

Chill the speech of issue-advocacy groups and nonprofits.

Force nonprofits to choose between spreading their message and protecting their donors’ privacy.

Target law-abiding American nonprofits instead of guarding against foreign interference in elections.

Unfairly hurt small and emerging nonprofits that do not have the resources to hire attorneys to help navigate these confusing regulations.

Force grant-making nonprofits to shut down philanthropic efforts to protect donors and themselves from liability.