

## End Zuckerbucks Act (H.R. 8291)

Sponsored by: Rep. Tenney

**Background:** During the 2020 election cycle Mark Zuckerberg donated hundreds of millions of dollars to **501(c)(3)** organizations who then provided funds to **state and local election organizations**.

**Issue:** Those donations totaled around **\$300** million through a foundation to two 501(c)(3) tax-exempt organizations—the Center for Technology and Civic Life ("CTCL") and the Center for Election Innovation & Research ("CEIR"). CTCL and CEIR subsequently awarded grants to state and local election offices to, according to Zuckerberg, "provide local and state officials across the country with the resources, training and infrastructure necessary to ensure that every voter who intends to cast a ballot is able to, and ultimately, to preserve the integrity of our elections." These massive donations by Zuckerberg to state and local election offices by way of 501(c)(3) organizations raises a number of concerns:

- These donations from tax-exempt entities to state election offices appear to have been done in a manner that **helped one political party** over another.
  - One analysis by the Capital Research Center indicated that several of the grants from CTCL went to election offices located in politically competitive states, and that in several of those states the majority of CTCL's grants were awarded to counties won by President Biden.
- Third-party funding of America's elections by wealthy donors who may be ideologically driven takes advantage of the tax code in an inappropriate way, and undermines public confidence in the election process.
- State capitals across the country have taken notice of these donations. According to the National Conference of State Legislatures, as of now, **28 states** have voted to prohibit, limit, or regulate the use of private or philanthropic funding to run elections.

The *End Zuckerbucks Act* prevents 501(c)(3) organizations from providing direct funding to official election organizations.

• The bill amends 26 U.S.C. § 501(c)(3) to **prohibit** below-cost services, scholarships, subsidies, or direct, in-kind, or indirect funding to **official election organizations**.