



H.R. 9771, *Stopping Foreign Influence in Elections Act of 2026*

Rep. Malliotakis (R-NY)

Background:

- Under the Federal Election Campaign Act (FECA), **foreign nationals are prohibited from donating money to U.S. campaigns.**
- However, there are **no laws or regulations that prevent foreign nationals from contributing to tax-exempt (TE) organizations** who may influence elections.
 - Money is fungible, and a TE organization who is active in the political space **could obtain foreign national contributions** in their general account **that would free up other funding for political activities.**
- The most prominent example of a foreign national donating money to a TE organization is Swiss billionaire **Hansjörg Wyss.**
 - Mr. Wyss's TE organizations donated money to other TE organizations that then **sent tens of millions of dollars to Super PACs.**
 - During the 2024 election cycle, Mr. Wyss's 501(c)(4), the Sixteen Thirty Fund, **sent nearly \$24 million dollars to PACs.**

H.R. 9771, *Stopping Foreign Influence in Elections Act of 2026:*

- **Creates a penalty on large TE organizations who receive contributions from foreign nationals and then donate to a political committee or a 501(c)(4). Penalty is twice the amount of the contribution** given to the entity.
- Establishes secondary **excise tax on TE organizations who contribute to a political committee or 501(c)(4) organization** if they have received a contribution or gift from a **foreign national within the last two years.**
 - **Excise tax on the first contribution** by a TE organization that has received a contribution or gift from a foreign national **is equal to 100 percent of the contribution to the PAC.**
 - **Excise tax on the second contribution** to a PAC is equal to **200 percent of the contribution** to the PAC.
- If the TE organization makes a **third contribution to a PAC their tax-exempt status will be suspended for two years** beginning on the date the contribution is made on top of an additional 200 percent excise tax.