

May 6, 2024

The Honorable Ron Wyden
Chairman
U.S. Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Mike Crapo
Ranking Member
U.S. Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

RE: Protect Nonprofits. Uphold Due Process. Oppose H.R. 6408 / S. 4136.

Dear Chairman Wyden and Ranking Member Crapo,

On behalf of the 134 undersigned civil liberties, human rights, community, faith, and privacy organizations, we respectfully request that the United States Senate Committee on Finance refrain from advancing consideration of H.R. 6408, and its companion bill S. 4136, introduced by Senators John Cornyn and Angus King. This proposed legislation would unconstitutionally harm all Americans' free speech and due process rights by creating new executive authorities that could be abused by any presidential administration seeking to terminate the tax-exempt status of nonprofit organizations arbitrarily.

If enacted, this act would grant the Secretary of the Treasury broad discretionary powers to terminate the tax-exempt status of nonprofit organizations based solely on a subjective declaration that they are "terrorist supporting organizations." This proposal lacks sufficient accountability measures and opens the door to potential abuse, especially given the current climate of increased politicization and polarization within the U.S. government.

We draw attention to recent incidents where state governors and entities such as state and private universities, with vocal support from some members of Congress, have attempted to revoke the status or ban student-led chapters of Jewish and Palestinian groups organizing in support of Palestinian human rights. These actions underscore the danger of unchecked authority that could be wielded by an administration that does not respect the Bill of Rights to stifle free speech and legitimate advocacy efforts to petition the government.

Furthermore, this act seems to be motivated by an anti-Palestinian bias aimed at stifling voices advocating for Palestinian human rights, especially in light of Israel's deadly invasion of Gaza, resulting in over 34,000 civilian deaths and nearly 80,000 injuries. While this may be the primary concern for lawmakers backing this act, if it becomes law, it could be exploited by a hostile presidential administration to target organizations for political reasons, irrespective of their ideological stance.

This act's due process and court challenge provisions raise legal concerns similar to those surrounding the unconstitutional federal terrorism watchlists. Allowing the Secretary of the Treasury to use "classified information" to make such a designation without permitting nonprofits to review, or challenge, such evidence in federal courts mirrors the difficulties faced by individuals wrongly listed on federal watchlists. This lack of transparency violates the due process rights of Americans and increases the chances of errors and arbitrary actions, which undermines the rule of law. It is crucial to avoid codifying into law the same administrative due process mistakes of prior presidential administrations that civil rights organizations are successfully working to remedy in the courts.

Additionally, under these proposed authorities, an organization could potentially lose its tax-exempt status without facing criminal charges from the federal government. Such a scenario could be leveraged to silence, inflict economic harm, and legally burden a politically active nonprofit without the need for formal criminal charges. This also parallels the federal terrorism watchlists, where American citizens encounter travel, employment, and banking limitations, while never being charged with a crime or provided avenues for legal redress.

We would also note that U.S. law already codifies financing terrorism as illegal and bans designated entities from claiming tax-exempt status under section 501(c)(3) of the tax code as a felony charge under the Antiterrorism and Effective Death Penalty Act of 1996 and the International Emergency Economic Powers Act (IEEPA) enacted in 1977.

In conclusion, the undersigned organizations strongly oppose H.R. 6408 and S. 4136, and respectfully request that the Senate Committee on Finance exercise caution by not advancing this legislation. Again, enacting such a law would pose a risk of political misuse, allowing a president and the federal government to suppress dissent under the guise of national security without sufficient oversight. This would significantly undermine our nation's democratic freedoms and principles. We believe that any measures aimed at addressing terrorism-related concerns must uphold constitutional rights, due process, and accountability.

Thank you for considering our concerns and your dedication to safeguarding civil liberties. We would be happy to meet to answer any questions you may have.

Sincerely,

National Organizations

18 MILLION RISING

Adalah Justice Project

Al-Furqaan Foundation

American Booksellers Association

American Federation of Ramallah Palestine

American Friends Service Committee

American Muslim Health Professionals

American Muslim Voice Foundation

American Muslims for Palestine

American Pakistani Advocacy Group (APAG)

American-Arab Anti-Discrimination Committee (ADC)

Arab American Civic Council

Asian American Advocacy Fund

Asian Americans Advancing Justice - Asian Law Caucus

Asian Americans and Pacific Islanders for Civic Empowerment (AAPI FORCE)

Asian Americans United

Association of Muslim American Lawyers (AMAL)

Aurora Commons LLC

CAIR Action 501(c)4

Center for Protest Law & Litigation @ Partnership for Civil Justice Fund

Center for Security, Race and Rights

Center on Conscience and War

Children of Adam

Committee in Solidarity with the People of El Salvador

Council on American-Islamic Relations (CAIR)

DAWN

Defending Rights & Dissent

Demand Progress

Demo Lab South

Detention Watch Network

Doctors Against Genocide

Due Process Institute

EducateUS

Equality Labs

Evangelical Lutheran Church in America

Freedom of the Press Foundation

Freedom To Thrive

Friends of Sabeel North America (FOSNA)

Global Network Against Weapons & Nuclear Power in Space

Government Information Watch

Healthcare Across Borders

Hindus for Human Rights

ICNA Council for Social Justice (ICNA CSJ)

Indonesian Muslim Society in America

International Refugee Assistance Project (IRAP)

Islamic Association Of North America

Islamic Society of North America (I.S.N.A.)

Jewish Voice for Peace Action

LittleSis / Public Accountability Initiative

Malaysian Islamic Foundation of North America (MIFNA)

Missionary Oblates of Mary Immaculate

MPower Change Action Fund

Muslim Advocates

Muslim American Society

Muslim Counterpublics Lab

Muslim Justice League

Muslim Public Affairs Council (MPAC)

Muslim Student Association of United States & Canada (MSA National)

Muslim Ummah of North America (MUNA)

Muslim Women Kreate

Muslims for Just Futures

National Iranian American Council Action

National Lawyers Guild

No Separate Justice

Partnership for the Advancement of New Americans

Peace Action

Project South

Restore The Fourth

Shoulder to Shoulder Campaign

STEM4US!

Surveillance Technology Oversight Project

The Latin America Working Group

The People's Forum

US Campaign for Palestinian Rights (USCPR)

US Council of Muslim Organizations (USCMO)

Veterans For Peace

Voices of Muslims

Win Without War

X-Lab

Regional and State Organizations

Ahlulbayt Society of Columbus

Al Farooq Foundation

Ansaar Academy of Inland Empire

API Equality-LA

Asian Americans Advancing Justice Southern California

AZ Muslim Police Advisory Board

CAIR-Pittsburgh

Cham Muslims of Fullerton

Chino Valley Islamic Center

Council of Islamic Organizations of Greater Chicago

DarusSalam Masjid

Downtown Islamic Center

Hejrat Educational Center

Hillside Islamic Center

Husaynia Islamic Society of Seattle

Illinois Muslim Action Network

Indianapolis Dawah Mission

Islamic Center of Conejo Valley

Islamic Center of Detroit

Islamic Center of Pittsburgh

Islamic Center of San Diego

Islamic Center of San Gabriel Valley

Islamic Center of South Bay-LA

Islamic Center of Wheaton ICW

Islamic Center of Wisconsin

Islamic Community Cultural Center

Islamic Education Center-Houston

Islamic Society of Basking Ridge, Inc.

Islamic Society of West Valley

Khan Enterprise Investments, LLC

Majlis Ash-Shura: Islamic Leadership Council of NY

MAS Central Jersey

MAS Maryland

Masjid Al-Furqan - West Cobb Islamic Center

Masjid Al-Momineen

Muslim American Society (MAS) of Central Florida

Muslim American Public Affairs Council

Muslim Community Center of Greater Pittsburgh

Muslim Community of Folsom

Muslim Community of Nassau County

Muslim Community of New Jersey (MCNJ)

Muslim Resource Center

New Dominion PAC

Noor Islamic Cultural Center

Northern California Islamic Council

O'People Foundation

Prince George's County Muslim Council

Rightly Guided Physicians

Sacramento Area League of Associated Muslims

Sammamish Muslim Association

Shia Muslim Council of Southern California

South Florida Muslim Federation

Tawhid Community Center

The Long Island Muslim Society, Inc.

The Mosque Foundation