

Written Testimony of Jason Snead Executive Director, Honest Elections Project Action House Bill 2106—Proponent Kansas House Committee on Elections February 4, 2025

Thank you for the opportunity to testify today on House Bill 2106. My name is Jason Snead, executive director of Honest Elections Project Action, a nonprofit group fighting for the right of every American to vote in free and fair elections.

House Bill 2106 is a straightforward measure to ban foreign funding in state ballot measure campaigns. This is no hypothetical concern. In states across the country, including here in Kansas, millions of dollars in foreign-tied funds have been spent to influence the outcome of state ballot measures. This torrent of funding is tied to a Swiss billionaire activist named Hansjorg Wyss.¹ As the watchdog group Americans for Public Trust points out, Wyss has put \$243 million into a left-wing group called the Sixteen Thirty Fund, which in turn has spent a staggering \$130 million driving ballot measures to promote abortion and rewrite election laws for partisan political gain, or to defeat measures referred to the voters by state legislatures.²

That is precisely what has already happened here in Kansas. In 2022, the Sixteen Thirty Fund contributed approximately \$1.6 million in foreign-tied funds to defeat an abortion amendment this legislature referred to the ballot. No matter what one thinks of the outcome of that particular vote, everyone ought to agree that decisions as significant as amending the constitution belong exclusively in the hands of the citizens of this country and the voters of this state. Foreign nationals have no business influencing ballot measures, and these campaigns should not be allowed to serve as a Trojan Horse for foreign interference in the American democratic process.

Unfortunately, that is precisely what the ballot measure process has become. Federal law has long banned foreign nationals from donating to candidates and super PACs, but that prohibition does not extend to ballot measures, including legislative referrals. And as the Sixteen Thirty Fund has shown, it is alarmingly easy to exploit this loophole and launder foreign money into ballot measure contests through intermediary groups. In fact, there is no reason to believe that Sixteen Thirty Fund is alone in this. Recent reporting has revealed that money tied to China is flowing into U.S. environmental nonprofits, a pattern of giving very similar to Wyss and the Sixteen Thirty Fund.³

¹ "Wyss' nonprofit showered liberal groups with more than \$63M," February 16, 2024. <u>https://www.politico.com/newsletters/politico-influence/2024/02/16/wyss-dark-money-group-showered-liberal-groups-with-more-than-63m-00142025</u>.

² Prior to the most recent disclosures, it was known that Wyss provided \$208 million to Sixteen Thirty. The most recent disclosures add \$35 million to this total. Americans for Public Trust, <u>https://americansforpublictrust.org/news/report-left-wing-swiss-billionaire-exploiting-the-foreign-influence-loophole/</u>.

³ Thomas Catenacci and Joe Schoffstall, "CCP-tied group is quietly fueling US-based climate initiatives: tax filings," <u>Fox News</u>, 12/18/23. Thomas Catenacci, "Ex-CCP Officials Funneled Millions to US Universities, Nonprofits To Promote Green Energy, Tax Forms Show," <u>Washington Free Beacon</u>, 12/10/2024.



It is time to close the foreign funding loophole, and I thank Representative Proctor and the Kansas legislature for introducing HB 2106 to do just that. To be effective, legislation banning foreign funding for ballot measures should do four things.

First, states must ban both direct *and indirect* foreign contributions to ballot measure campaigns. Wyss and the Sixteen Thirty Fund have shown how easy it is for a foreign national to launder his funding through third party groups. Moreover, an effective ban should be designed to prevent groups from laundering large sums of foreign money into campaigns by accepting and using foreign donations for other purposes that free up resources for ballot measure contributions. A clear way to accomplish this is to require donors certify they have not received more than a specified amount of foreign funding over a time period prior to the contribution (such as \$100,000 over a four-year period).

Second, the same protections mentioned above must be applied to independent expenditure campaigns, as well. It does little good to institute a ban if foreign nationals and foreign-financed organizations can simply pivot their funding into an independent expenditure campaign instead.

Third, the ban must apply to foreign nationals. Many existing state laws against foreign funding for state candidates apply only to foreign governments or political parties.⁴ Foreign influence over the ballot measure process is toxic no matter whether it originates from a hostile foreign power or an activist billionaire like Hansjorg Wyss.

Finally, it is important to protect the privacy rights of American donors. Cutting foreign influence out of the ballot measure process is not, and should never be, an excuse to limit the free speech rights of American citizens. The intent is to protect the democratic process, not weaken it by exposing Americans who wish to engage in lawful First Amendment speech while remaining anonymous.

HB 2106 would make great strides towards safeguarding the integrity of Kansas's elections against foreign influence. Last year, Ohio enacted a foreign funding ban and states across the country are considering similar legislation. In other words, there is broad agreement across the nation that it is time to close the foreign influence loophole.

I applaud the members of the Kansas House for leading the way on this important issue and am happy to take any questions you may have.

Thank you for the opportunity to testify.

⁴ "Laws governing foreign spending in ballot measure campaigns," <u>Ballotpedia</u>, accessed 1/31/25.