

Executive Summary

This report examines the allocation of US taxpayer dollars to activities related to influencing foreign elections compared to funding for US elections, based on available data from fiscal years 2020–2024. The primary sources of funding for foreign election-related activities are grants from the US Agency for International Development (USAID) and the Department of State (DOS) to the Consortium for Elections and Political Process Strengthening (CEPPS) and the National Endowment for Democracy (NED). For US elections, funding primarily flows through the Election Assistance Commission (EAC) via operating appropriations and Help America Vote Act (HAVA) grants, with additional contributions from the Department of Homeland Security (DHS) and Department of Justice (DOJ). The analysis reveals significantly higher federal spending on foreign election-related activities (approximately \$190M–\$237M annually from 2020–2022) compared to US election funding (approximately \$100M–\$105M annually in 2022–2023). Transparency issues, particularly with NED’s grants and domestic non-profit funding, complicate precise allocations, raising concerns about accountability and potential overlap with US election activities.

Domestic U.S. Election Funding (EAC + HAVA)

Fiscal Year	Estimated Funding	Notes
FY2022	~\$100M–\$105M	EAC operating + HAVA grants
FY2023	~\$100M–\$105M	Stable from FY2022
FY2024	~\$80M–\$85M	Reduced HAVA grants
FY2025 (proposed)	~\$53M	Further reductions

Foreign Election/Political Funding

Fiscal Year	Total Foreign Funding	Breakdown
FY2020	\$190M	CEPPS: IFES \$48M, IRI \$42M, NDI \$57M; NED: IRI \$22M, NDI \$21M
FY2021	\$227M	CEPPS: IFES \$50M, IRI \$46M, NDI \$65M; NED: IRI \$32M, NDI \$34M
FY2022	\$237M	CEPPS: IFES \$49M, IRI \$52M, NDI \$64M; NED: IRI \$39M, NDI \$33M

Funding for Foreign Election-Related Activities

Overview

Federal funding for foreign election-related activities is channeled primarily through CEPPS and NED, both of which distribute grants to non-profit organizations. These funds are often described as supporting “democracy promotion,” “election facilitation,” or “political party development,” but they are broadly election-related. CEPPS acts as a pass-through entity, distributing funds to three core organizations: the International Foundation for Electoral Systems (IFES), the International Republican Institute (IRI, aligned with Republicans), and the National Democratic Institute (NDI, aligned with Democrats). NED, which receives both federal and private funding, is more directly involved in foreign affairs, providing grants to IRI, NDI, and various domestic and foreign non-profits.

Funding Breakdown (FY2020–FY2022)

- **CEPPS Federal Grants:**
 - FY2020: \$147M
 - FY2021: \$161M
 - FY2022: \$165M
- **CEPPS Grants to Core Organizations:**
 - **IFES:**
 - FY2020: \$48M
 - FY2021: \$50M
 - FY2022: \$49M
 - **IRI:**
 - FY2020: \$42M
 - FY2021: \$46M
 - FY2022: \$52M
 - **NDI:**
 - FY2020: \$57M
 - FY2021: \$65M
 - FY2022: \$64M
- **NED Grants to IRI and NDI:**
 - **IRI:**
 - FY2020: \$22M
 - FY2021: \$32M
 - FY2022: \$39M
 - **NDI:**
 - FY2020: \$21M
 - FY2021: \$34M
 - FY2022: \$33M

- **Total Foreign Election/Political Funding:**
 - FY2020: \$190M
 - FY2021: \$227M
 - FY2022: \$237M

Ramallah, Gaza (FY2023)

In FY2023, CEPPS allocated \$6.0M to NDI and \$456.5K to IRI for election-related activities in Ramallah, Gaza. The significant funding discrepancy raises questions about the allocation rationale and the specific use of funds, particularly NDI's \$6.0M. Limited transparency and lack of detailed reporting necessitate a thorough audit to ensure accountability.

Observations

- **Lack of Specificity:** Grant descriptions use vague terms like “supporting democracy,” making it difficult to confirm funds are exclusively for elections.
- **Political Alignment:** IRI and NDI's affiliations with Republican and Democratic parties, respectively, suggest potential partisan influence in foreign election activities.
- **NED's Role:** NED's broader involvement in foreign affairs, including grants to foreign non-profits (\$150M in FY2022), complicates tracking fund usage.
- **Transparency Gaps:** Limited data for FY2023 and beyond highlights the need for improved reporting mechanisms.

Funding for US Elections

Overview

Federal funding for US elections is primarily managed by the EAC, which oversees operating appropriations and distributes HAVA grants to states. Additional funding comes from DHS (Cybersecurity and Infrastructure Security Agency, CISA) for cybersecurity and DOJ for legal assistance, though these are not exclusively earmarked for elections. NED's grants to domestic non-profits, while intended for foreign aid, may indirectly influence US elections, but specific amounts are untraceable.

Funding Breakdown

- **EAC Operating Appropriations:**
 - FY2022: \$25M–\$30M
 - FY2023: \$25M–\$30M
 - FY2024: \$25M–\$30M (estimated)
 - FY2025 (proposed): \$38M

- **HAVA Grants to States:**
 - FY2022: \$75M
 - FY2023: \$75M
 - FY2024: \$55M
 - FY2025 (proposed): \$15M
- **DHS (CISA) and DOJ Grants:**
 - Amounts are not specifically earmarked for elections, making precise figures unavailable.
- **NED Domestic Grants (FY2022):**
 - Total federal grants to NED: \$363M
 - Grants to domestic non-profits: \$84M (excluding IRI and NDI)
 - Potential overlap with US elections is possible but unquantifiable due to vague grant purposes.

Total Estimated US Election Funding

- FY2022: ~\$100M–\$105M (EAC operating + HAVA grants)
- FY2023: ~\$100M–\$105M
- FY2024: ~\$80M–\$85M (reflecting reduced HAVA grants)
- FY2025 (proposed): ~\$53M (reflecting further reductions)

Observations

- **Declining Funding:** HAVA grants have decreased significantly from \$75M (FY2022–2023) to \$15M (proposed FY2025), potentially straining state election resources.
- **Non-Election-Specific Grants:** DHS and DOJ contributions are difficult to quantify, reducing transparency.
- **NED's Domestic Grants:** The \$84M to domestic non-profits in FY2022 raises concerns about potential indirect influence on US elections, though no specific evidence confirms this.
- **Comparative Scale:** US election funding is substantially lower than foreign election-related funding.

Comparative Analysis

- **Funding Scale:**
 - Foreign election-related activities received \$190M–\$237M annually (FY2020–2022), compared to \$80M–\$105M for US elections (FY2022–2024).
 - Foreign funding is roughly 2–3 times higher than US election funding.
- **Transparency:**
 - Foreign funding lacks detailed breakdowns, with vague descriptors and limited FY2023 data.

- US election funding is clearer for EAC and HAVA grants but obscured for DHS, DOJ, and NED domestic grants.
- **Accountability:**
 - Foreign funding, particularly through NED and the Ramallah example, requires audits to ensure appropriate use.
 - US election funding is more accountable via EAC reporting but limited by declining HAVA grants.
- **Potential Overlap:**
 - NED's \$84M to domestic non-profits in FY2022 could inadvertently support US election activities, blurring the line between foreign and domestic spending.

Recommendations

1. **Enhance Transparency:**
 - a. Require detailed reporting for CEPPS and NED grants, specifying election-related activities.
 - b. Clarify DHS and DOJ grant allocations for US elections.
2. **Conduct Audits:**
 - a. Audit CEPPS and NED grants, particularly the \$6.0M NDI allocation for Ramallah in FY2023.
 - b. Investigate NED's domestic grants to ensure no US election influence.
3. **Balance Funding:**
 - a. Reassess the disparity between foreign and US election funding, considering the domestic need for robust election infrastructure.
4. **Strengthen Oversight:**
 - a. Establish independent oversight for CEPPS and NED to mitigate partisan influence in foreign election activities.

Conclusion

US taxpayer dollars are disproportionately allocated to foreign election-related activities (\$190M–\$237M annually) compared to US elections (\$80M–\$105M annually), raising questions about priorities and accountability. While foreign democracy promotion is a strategic interest, the lack of transparency in CEPPS and NED grants, combined with declining US election funding, underscores the need for reform. Audits, enhanced reporting, and balanced funding allocations are critical to ensure taxpayer dollars are used effectively and equitably.