

September 26, 2023

## Private Funding for Election Administration

State and local election offices sometimes receive private donations of money, goods, or services to help them carry out their work. Following the onset of the Coronavirus Disease 2019 (COVID-19) pandemic in the 2020 election cycle, private individuals funded grant programs for state and local election administration that were particularly notable in their scale and sources. Those grant programs—and the role of private funding in election administration in general—have been subjects of congressional interest in subsequent Congresses, including in hearings and legislation in the 118<sup>th</sup> Congress.

This In Focus offers an overview of private funding for election administration. It starts by providing some background on funding for election administration in general and the role of private funding in the 2020 election cycle. It then describes some proposals from Members of Congress and federal agency officials for responding to private involvement in funding elections.

### Funding for Election Administration

The federal government has provided some grant funding and agency support for election administration (for more on federal elections grant programs, see CRS Report R46646, *Election Administration: Federal Grant Funding for States and Localities*, by Karen L. Shanton). However, there is no ongoing federal mechanism for funding the general expenses of administering elections. Those costs are covered, instead, by states and localities.

Exactly how financial responsibility for election administration is distributed between the state and local levels varies by state. Some states perform and fund most election administration duties at the state level. A more common arrangement is for localities to cover most of the costs, with support from the state for certain types of elections or expenses. For example, some states share the costs of elections when state-level candidates are on the ballot, and most provide for the statewide voter registration databases required by the Help America Vote Act (HAVA).

### Private Funding in the 2020 Elections

The emergence of the COVID-19 pandemic in the 2020 election cycle led many states and localities to change the way they ran their elections that year. Concerns about the health risks posed by close contact prompted changes to in-person voting, such as distributing personal protective equipment (PPE) to voters or election workers, increasing access to curbside voting, and relocating polling places.

Health and safety concerns also led many states to expand mail voting for 2020. Some states that required an excuse to vote by mail suspended the excuse requirement for some or all voters for the 2020 elections, for example, and some states extended their deadlines for requesting a mail ballot.

The changes states and localities made to their election processes in 2020—along with other effects of the pandemic, such as increased difficulty recruiting election workers and obtaining paper for ballots—introduced new costs. For example, many jurisdictions had to invest in supplemental pay for election workers or in new workers or equipment to process a higher volume of mail ballots.

The federal government provided some funding to help cover the additional costs. Congress included \$400 million in HAVA funding in the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) specifically to help states address the effects of the pandemic on the 2020 elections. Other HAVA grant funding, including funds provided for FY2018 (P.L. 115-141) and FY2020 (P.L. 116-93), could also be applied to COVID-related costs.

However, some states and localities reported that the federal contributions did not address all of their new needs. Private businesses donated goods and services to help meet some of those needs. For example, professional sports teams in some cities made their stadiums available to serve as vote centers, and various companies gave PPE.

Some private individuals also donated funding for grants to state and local election offices. According to media reports, some particularly prominent sources of private funds included the following:

- **Priscilla Chan and Mark Zuckerberg.** Chan and Zuckerberg reported committing up to \$419.5 million in the 2020 election cycle for grants to be distributed by two nonprofit organizations: the Center for Tech and Civic Life (CTCL, \$350 million) and the Center for Election Innovation & Research (CEIR, \$69.5 million). According to grant documents and other reporting, the CTCL funding was broadly available for ensuring safe and secure election administration and the CEIR grants were for voter education. The organizations reported making the funding available to all election offices responsible for administering election activities and to all 50 states and the District of Columbia, respectively, and, with the exception of one state that withdrew its application, funding all of the requests they received.
- **Arnold Schwarzenegger.** Schwarzenegger donated \$2.5 million to be distributed by the Schwarzenegger Institute for State and Global Policy at the University of Southern California. The institute reported that the funding was for supporting access to voting in states that had historically been required to submit changes to their election laws for federal preclearance under the Voting Rights Act and that it awarded grants to all eligible applicants (for more on preclearance, see CRS Report

R47520, *The Voting Rights Act: Historical Development and Policy Background*, by R. Sam Garrett).

The individuals who funded those grant programs do not appear to have made similar contributions in subsequent election cycles; Chan and Zuckerberg said that their 2020 donations were a one-time response to the pandemic, and Schwarzenegger has not announced similar elections grants for 2022 or 2024. One of the groups that helped distribute the 2020 funds, CTCL, has continued awarding grants with new funding as part of a new program, the U.S. Alliance for Election Excellence. Another, CEIR, connects election officials with pro bono legal and communications services to help them address issues like threats and misinformation.

### Proposed Responses to Private Funding

Private funding has been credited by some with helping facilitate safe and accessible elections in 2020 under unique and challenging circumstances. For example, recipients of the funding reported that it enabled them to provide protections for voters and election workers and avoid delays in reporting election results.

Many—including some of those who have helped provide private funding—have expressed reservations, however, about reliance on private philanthropy. One concern some express is that the availability of private funding is contingent on the choices of private entities. Private individuals and organizations are not obligated to provide election administration funding, and, as illustrated by the post-2020 actions of that election cycle’s donors, they might choose to opt out of ongoing contributions.

Another is that private involvement in funding election administration could translate to private influence over elections, including potential foreign influence. Some worry that donors, including foreign nationals, could use private funding for election administration to try to influence election outcomes, such as by targeting their assistance to jurisdictions with a particular partisan leaning.

Nearly half the states have responded to such concerns by prohibiting election officials from accepting some or all private donations. According to the National Conference of State Legislatures, 24 states had set limits on acceptance of private contributions for election administration as of July 25, 2023. Those state laws, which range from total bans on acceptance of any non-public donations to limits on acceptance of contributions from certain entities or with certain exceptions, were all enacted after the 2020 elections.

A similar prohibition has been proposed at the federal level. The Protect American Election Administration Act, which was introduced in the 117<sup>th</sup> Congress (H.R. 7117) and the 118<sup>th</sup> Congress (H.R. 2934), would prohibit states from soliciting, accepting, or using private donations of funding, property, or personal services for the administration of federal elections, with an exception for donations of space to be used as a polling place or early voting site.

Some Members of Congress have also proposed complementary prohibitions on contributions by certain private entities. The End Zuckerbucks Act, introduced as a standalone bill in the 117<sup>th</sup> Congress (H.R. 4290) and 118<sup>th</sup> Congress (H.R. 1725; H.R. 4501) and as part of the

American Confidence in Elections (ACE) Act in both Congresses (H.R. 8528, 117<sup>th</sup> Congress; H.R. 4563, 118<sup>th</sup> Congress), would generally prohibit organizations that are tax-exempt under Section 501(c)(3) of the Internal Revenue Code from making donations to election offices. The precise scope of the prohibition differs across versions of the bill, with variations in the kinds of contributions covered and the availability of exemptions for donations of space to be used as a polling place.

A second type of approach some have proposed to reducing private involvement in election administration is supplementing state and local funds with a consistent stream of federal funding. The unique circumstances of the 2020 elections posed particular financial challenges for election officials, but concerns about underfunding of election administration predate the COVID-19 pandemic. For example, the subsector-specific plan for the Election Infrastructure Subsector established by the U.S. Department of Homeland Security in response to foreign efforts to interfere in the 2016 elections says that, “It is impossible to make an honest assessment of the Election Infrastructure Subsector’s risk and the potential to mitigate that risk without an understanding of the chronic resource issues the Subsector faces at all levels of government.”

In testimony at House and Senate hearings on the U.S. Election Assistance Commission (EAC) in June 2023, EAC Commissioner Benjamin Hovland shared that quote and suggested that the government might reduce reliance on private elections funding by increasing public funds. Providing more—and more predictable—federal funding for election administration could help reduce or eliminate the demand for private assistance.

The Biden Administration and some Members of Congress have proposed additional federal grant funding for election administration, including long-term or ongoing funding. For example, the President’s FY2024 budget request includes \$300 million for elections grants for FY2024 and a proposal to provide another \$5 billion to be distributed over 10 years. Bills introduced in the 117<sup>th</sup> and 118<sup>th</sup> Congresses, such as the Freedom to Vote Act (S. 2747, 117<sup>th</sup> Congress; H.R. 11/S. 1/S. 2344, 118<sup>th</sup> Congress) and the Sustaining Our Democracy Act (H.R. 7992/S. 4239, 117<sup>th</sup> Congress; H.R. 5292/S. 630, 118<sup>th</sup> Congress), would establish mechanisms for providing states with consistent elections funding.

The two types of proposals for reducing private involvement in elections funding described in this section approach the issue from different angles. The first aims to limit the supply of private donations, while the second tries to limit the demand for them. Those two approaches are not necessarily mutually exclusive. Members who are interested in reducing reliance on private funding for election administration might choose to limit private contributions, ensure states and localities have the resources to administer elections without private help, or both.

---

**Karen L. Shanton**, Analyst in American National Government

**IF12501**

## Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.