Congress of the United States

Washington, DC 20515

March 26, 2025

Mr. Eran Schwartz Chief Executive Officer Blue and White Future 1 Azrieli Center Round Tower, Floor 17 132 Derech Menachem Begin Tel Aviv-Jaffa, 6701101 ISR

Dear Mr. Schwartz:

According to reports, the Biden-Harris Administration funneled U.S. taxpayer money to certain Israeli entities, including Blue and White Future, with the effect of attempting to undermine Israel's democratically elected government.¹ The use of federal grants in this manner not only jeopardizes America's relationship with one of its closest allies, but also undermines core civil liberties protected within the United States and Israel. Additionally, the misuse of federal grant funds may, in some cases, amount to a criminal offense.² As part of our constitutional oversight responsibilities, we request your organization's voluntary cooperation to assist our review.

In 2023, Israel experienced widespread protests over the government's plan to reform the country's judicial system.³ The Biden-Harris Administration openly opposed the proposed reforms, with President Biden saying that Israel "cannot continue down this road."⁴ Media reports later revealed that these protests were funded in part by U.S. grant money that had been funneled through various American and Israeli non-governmental organizations (NGOs) to groups directing the protests.⁵ According to public media reports, in 2023, Blue and White Future received approximately \$4 million from a U.S.-based NGO, Middle East Peace Dialogue

¹ See David Isaac, Foreign funding of judicial-reform protests spurs Knesset legislation, JEWISH NEWS SYNDICATE (Feb. 18, 2025); Gidon Dokow & Makor Rishon, Major exposé reveals the money machine behind Israel's 2023 protests, ISRAEL HAYOM (Feb. 17, 2025).

² See 18 U.S.C. § 666(a)(1)(A). Additional offenses may apply if an applicant misrepresents its reasons for obtaining a grant. See 18 U.S.C. §§ 287, 371, 1001, 1343.

³ Ruby Mellen et al., *Protests rocked Israel for 29 consecutive weeks*. *There's more to come.*, WASH. POST (July 24, 2023).

⁴ Brett Samuels, *Biden on Israel's proposed judicial reforms: 'They cannot continue down this road'*, THE HILL (Mar. 28, 2023); *see also* Caroline Glick, *How Biden subverts Israeli democracy*, JEWISH NEWS SYNDICATE (Feb. 17, 2023).

⁵ See e.g., Glick, supra note 4; Adam Kredo, *How Taxpayer Funds Are Flowing to a Group Bankrolling Anti-Netanyahu Protests*, WASH. FREE BEACON (Mar. 6, 2023).

Mr. Eran Schwartz March 26, 2025 Page 2

Network (MEPDN).⁶ These funds reportedly derived from USAID and State Department funded grants that flowed to MEPDN through the Jewish Communal Fund and Rockefeller Philanthropy Advisors.⁷ This was not the first time U.S. taxpayer-funded grants had been used to support protests against Israeli Prime Minister Benjamin Netanyahu or the policies he supports.⁸

Unfortunately, these reports reflect the poor track record of USAID and the State Department in funding entities in the region. USAID and the State Department have even provided direct support to Hamas and other terrorist groups.⁹ From 2007 through 2024, USAID and the State Department sent at least \$122 million to NGOs aligned with designated terrorist organizations.¹⁰ Many of those NGOs have openly espoused antisemitic rhetoric and encouraged violence against Jewish individuals.¹¹

Congress has an important interest in ensuring that taxpayer-funded grants are used in a manner that is consistent with statutory authorization and congressional intent. As part of the Committee's oversight, we ask that you provide the following documents and information:

- 1. All documents and communications referring or relating to any grants, cooperative agreements, or other awards Blue and White Future received from USAID or the State Department from January 20, 2021 to the present, including, but not limited to the Application, Proposal Abstract, Grant Agreement, Financial Management and System of Internal Controls Questionnaire, and Consolidated Budget Summary documents;
- All documents and communications referring or relating to any donations, grants, or other financial contributions Blue and White Future received from the Middle East Peace Dialogue Network, Movement for Quality Government in Israel, PEF Israel Endowment Funds, Jewish Communal Fund, or Rockefeller Philanthropy Advisors from January 20, 2021 to the present;
- 3. A detailed breakdown of how funds Blue and White Future received from USAID, the State Department, the Middle East Peace Dialogue Network, Movement for Quality

⁶ Isaac, *supra* note 1.

⁷ *Id.*; see also Prime Awards and Transactions: Rockefeller Philanthropy Advisors, Inc., USASPENDING.GOV, https://www.usaspending.gov/search/?hash=2e2f0cc6815412ce839a1342e80b7d6d (last visited Mar. 5, 2025) (showing that Rockefeller Philanthropy Advisors received funding from USAID and the State Department shortly before the judicial reform protests began).

⁸ See Staff of Permanent Subcomm. on Investigations of the S. Comm. on Homeland Sec. & Governmental Affs., 114th Cong., Review of U.S. State Department Grants to OneVoice (Comm. Print 2016).

⁹ See Sam Westrop, *The U.S. Charitable Network That Subsidizes Hamas, and the Donors Behind It*, MIDDLE E. F. (Nov. 14, 2023) (stating that from 2007–2023, USAID and the State Department authorized over \$100 million in grants to Hamas-aligned NGOs in the U.S.); *US-funded NGO Aid Benefiting Hamas: Mercy Corps and ANERA Operations in Gaza*, NGO MONITOR (Jan. 21, 2025) (identifying USAID and State Department grants to two NGOs that "rely on close coordination with the Hamas-controlled Gaza Ministry of Social Development" to select beneficiaries of "cash-assistance" and other programs).

¹⁰ Sam Westrop, *Terror Finance at the State Department and USAID*, MIDDLE E. F. (Feb. 1, 2025).

¹¹ *Id.*; see also Sam Westrop, *Top Federal Government Partner ANERA Is a Hive of Jew-Hate and Hamas-Support*, MIDDLE E. F. (May 22, 2024).

Mr. Eran Schwartz March 26, 2025 Page 3

> Government in Israel, PEF Israel Endowment Funds, Jewish Communal Fund, or Rockefeller Philanthropy Advisors from January 20, 2021 to the present were spent, including the amount, date, recipient, and purpose of each expenditure, along with any relevant supporting documentation.

Please produce all documents and information as soon as possible but no later than 5:00 p.m. on April 9, 2025.

This letter serves as a formal request to preserve all existing and future records and materials relating to the topics addressed in this letter. You should construe this preservation notice as an instruction to take all reasonable steps to prevent the destruction or alteration, whether intentionally or negligently, of all documents, communications, and other information, including electronic information and metadata, that are or may be responsive to this congressional inquiry. This instruction includes all electronic messages sent using your professional and personal accounts or devices, including records created using text messages, phone-based message applications, or encryption software.

The Supreme Court has recognized that Congress has a "broad and indispensable" power to conduct oversight, which "encompasses inquiries into the administration of existing laws, studies of proposed laws, and surveys in our social, economic or political system for the purpose of enabling Congress to remedy them."¹² The Judiciary Committee is authorized to conduct oversight of matters concerning civil liberties and criminal law pursuant to the Rules of the House of Representatives.¹³ If you have any questions about this request, please contact Committee staff at (202) 225-6906.

Thank you for your prompt attention to this matter.

erdan im Ior Chairman Committee on the Judiciary

Sincerely,

Brian Mast Chairman Committee on Foreign Affairs

cc: The Honorable Jamie Raskin, Ranking Member Committee on the Judiciary

> The Honorable Gregory Meeks, Ranking Member Committee on Foreign Affairs

¹² Trump v. Mazars USA, LLP, 591 U.S. 848, 862 (2020) (internal quotation marks omitted).

¹³ Rules of the House of Representatives, 119th Cong., R. X (2025).

Congress of the United States

Washington, DC 20515

March 26, 2025

Dr. Eliad Shraga Chairman Movement for Quality Government in Israel 208 Jaffa St., Floor 9 Jerusalem, 6807836 ISR

Dear Dr. Shraga

According to reports, the Biden-Harris Administration funneled U.S. taxpayer money to certain Israeli entities, including the Movement for Quality Government in Israel (MQG), with the effect of attempting to undermine Israel's democratically elected government.¹ The use of federal grants in this manner not only jeopardizes America's relationship with one of its closest allies, but also undermines core civil liberties protected within the United States and Israel. Additionally, the misuse of federal grant funds may, in some cases, amount to a criminal offense.² As part of our constitutional oversight responsibilities, we request your organization's voluntary cooperation to assist our review.

In 2023, Israel experienced widespread protests over the government's plan to reform the country's judicial system.³ The Biden-Harris Administration openly opposed the proposed reforms, with President Biden saying that Israel "cannot continue down this road."⁴ Media reports later revealed that these protests were funded in part by U.S. grant money that had been funneled through various American and Israeli non-governmental organizations (NGOs) to groups directing the protests.⁵ According to public media reports, from 2020 through 2022, MQG received approximately \$40,000 in grants from the U.S. Department of State.⁶ This was

¹ See Caroline Glick, How Biden subverts Israeli democracy, JEWISH NEWS SYNDICATE (Feb. 17, 2023); Adam Kredo, How Taxpayer Funds Are Flowing to a Group Bankrolling Anti-Netanyahu Protests, WASH. FREE BEACON (Mar. 6, 2023).

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⁶ Glick, *supra* note 1; Kredo, *supra* note 1.

Dr. Eliad Shraga March 26, 2025 Page 2

not the first time U.S. taxpayer-funded grants had been used to support protests against Israeli Prime Minister Benjamin Netanyahu or the policies he supports.⁷

Unfortunately, these reports reflect the poor track record of USAID and the State Department in funding entities in the region. USAID and the State Department have even provided direct support to Hamas and other terrorist groups.⁸ From 2007 through 2024, USAID and the State Department sent at least \$122 million to NGOs aligned with designated terrorist organizations.⁹ Many of those NGOs have openly espoused antisemitic rhetoric and encouraged violence against Jewish individuals.¹⁰

Congress has an important interest in ensuring that taxpayer-funded grants are used in a manner that is consistent with statutory authorization and congressional intent. As part of the Committee's oversight, we ask that you provide the following documents and information:

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- 2. All documents and communications referring or relating to any donations, grants, or other financial contributions MQG received from Blue and White Future, the Middle East Peace Dialogue Network, PEF Israel Endowment Funds, Jewish Communal Fund, or Rockefeller Philanthropy Advisors from January 20, 2021 to the present;
- 3. A detailed breakdown of how funds MQG received from USAID, the State Department, Blue and White Future, the Middle East Peace Dialogue Network, PEF Israel Endowment Funds, Jewish Communal Fund, or Rockefeller Philanthropy Advisors from January 20, 2021 to the present were spent, including the amount, date, recipient, and purpose of each expenditure, along with any relevant supporting documentation.

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⁹ Sam Westrop, Terror Finance at the State Department and USAID, MIDDLE E. F. (Feb. 1, 2025).

⁷ See Staff of Permanent Subcomm. on Investigations of the S. Comm. on Homeland Sec. & Governmental Affs., 114th Cong., Review of U.S. State Department Grants to OneVoice (Comm. Print 2016).

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¹⁰ *Id.*; see also Sam Westrop, Top Federal Government Partner ANERA Is a Hive of Jew-Hate and Hamas-Support, MIDDLE E. F. (May 22, 2024).

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¹¹ Trump v. Mazars USA, LLP, 591 U.S. 848, 862 (2020) (internal quotation marks omitted).

¹² Rules of the House of Representatives, 119th Cong., R. X (2025).



תמיר מורג Tamir Morag 📀 Tamir114@



הנה זה מתחיל: יו"ר ועדת החוץ של בית הנבחרים בריאן מאסט, ויו"ר ועדת המשפט ג'ים ג'ורדן, שיגרו מכתבים רשמיים לאליעד שרגא, יו"ר התנועה לאיכות השלטון, וערן שוורץ, מנכ"ל עמותת עתיד כחול לבן.

מאסט וג'ורדן הודיעו להם כי הם תחת חקירה של הקונגרס בחשד לחתירה תחת הדמוקרטיה של מדינת ישראל, בעלת ברית של ארה"ב, באמצעות שימוש לא חוקי לכאורה בכספי מענקים שקיבלו מממשל ביידן למטרה זו.

27 · 21:40 מרץ 25 · **2,209** צפיות

אלימות נגד מדינת חוץ [א/67]

סימן ח'י פגיעה במדינת חוץ

165. העושה בתחופי הפירות נשוון לארגן, לחכין, לסייע או להקל כל נסיון הנעשה בפרינת חוץ להרום במצשי אליכות את סדרי השלטוץ של אותה מדינה, דינו - מאסר עשר שנים. הסתה לאיבה כלפי נמדינה ידידותית [x2)67(4)] (תיקין מס' 23) תשמ"ח-1988

. המבקש להסית למעשי איבה נגד ממשלתה של מדינה ידידותיה, על ידי נאום במקום ציבורי או התקהלות פומבית או על ידי פרסום, דינו - מאסר שלוש שנים.

פגיעה בדגל או בסמל של מדינה ידידותית [8/8]

167. המוריד או תורס, בפומבי, דגל או סמל של מדינה ידידותית, או עושה מעשה אחר לפגרע בהם, והכל בבוונה להביע איבה או בה לאותה מדינה, דינו - מאסר שלוש שנים. הילול כבודם של גדולי מדינת חויק (תיקון נוס' 23) תשמ"ח-1988

168. המפרטם ללא צידוק או הצדק שהיו מתקבלים במשפט בשל לשון הרע על אדם פרטי, פרטום העלול להשפיל, לחרף או לחשוף לשנאה או לברו מלך, נשוא, שליט, שנירי או אחד כרמי המעלה האחרים של כרינת חוק, דינו - קנס; ואם הפרטום עלול או מכוון להפריע את השלום והיהירות בין ישראל למדעה אחרת - דיני מאס שלוש שנים.

סימן ו'- שוד ים