Court Denies Biden Administration's Second Attempt to Dismiss AFL's Lawsuit Against Federal Funding for Palestinian Terrorism

WASHINGTON, D.C. – America First Legal (AFL) has won a critical victory for its clients U.S. Rep. Ronny L. Jackson (R-TX), Stuart and Robbie Force, the parents of murdered West Point graduate and Iraq and Afghanistan war veteran Taylor Force, and Sarri Singer, a survivor of a Hamas suicide attack on a Jerusalem, Israel municipal bus, in their fight to stop the Biden Administration's illegal program of subsidies for Palestinian terrorism. On Friday, June 28, U.S. District Court Judge Matthew J. Kacsmaryck <u>denied</u> the government's motion to dismiss AFL's <u>amended complaint</u>. Now, this important case will move forward, tearing away the veil from the Biden Administration's illegal and dangerous \$ 1.5 *billion* terrorism subsidy program for the Palestinians.

On December 20, 2022, <u>the Plaintiffs sued President Biden and Secretary of State</u> <u>Blinken</u> for violating the Taylor Force Act, which bars the government from using U.S. tax dollars to benefit the Palestinian Authority. The government moved to dismiss. On February 22, 2024, Judge Kacsmaryck <u>denied</u> the government's motion.

The Plaintiffs then amended their complaint, alleging that the Biden Administration violated the Taylor Force Act and illegally overturned the Trump Administration's "no funds" policy in violation of the Administrative Procedure Act, knowingly subsidizing the Palestinian Authority's "pay-to-slay" bounty system, the expansion of Hamas's military capabilities, and the United Nations Relief Works Agency's material support for Palestinian terrorism. Specifically:

8. Between January 20, 2021, and the date of this First Amended

Complaint, the Defendants have obligated or transferred more than \$1.5 billion to

Gaza and the West Bank through Economic Support Fund awards and United

Nations Relief Works Agency contributions.

9. The Defendants' unlawful conduct has directly and concretely harmed

the Plaintiffs by increasing their risk of injury or death from Palestinian terrorists.

20. At all times relevant, the Defendants have had actual knowledge that American taxpayer-funded assistance to Gaza and the West Bank, including Economic Support Fund awards and United Nations Relief Works Agency contributions, directly provides and/or subsidizes material support for Palestinian terrorists.

21. At all times relevant, the Defendants have had actual knowledge that American taxpayer-funded assistance to Gaza and the West Bank, including Economic Support Fund awards and United Nations Relief Works Agency contributions, including assistance funneled through nongovernmental organizations, was being diverted to or used for the benefit of Hamas and other terrorists.

With respect to the United Nations Relief Works Agency, the Plaintiffs further alleged:

33. The Relief Works Agency's facilities have served as terrorist command and control centers, weapon storage depots, and rocket launching platforms, and it uses international aid money to indoctrinate Palestinian children into antisemitic terrorist cadres primed to murder Jews and destroy Israel. *See e.g.*, Letter from Michael T. McCaul, Chairman, H. Comm. on Foreign Affs., and Brian Mast, Chairman, Subcomm. on Oversight and Accountability, *et al*, to Mr. Philippe Lazzarini, Commissioner-General, UNRWA (Feb. 28, 2024), https://bit.ly/3VdxMoQ (citations omitted); IMPACT-SE, EDUCATION FOR TERRORISM IN PALESTINIAN SCHOOLS: 2023 ISRAEL-HAMAS WAR at 43–45 (Nov. 2023), https://bit.ly/3VauDWP.

34. At all times relevant, the Defendants have had actual knowledge that contributions to the United Nations Relief Works Agency from the United States Government and other U.S.-based persons have directly facilitated and subsidized, and will continue to directly facilitate and subsidize, the Relief Works Agency's material support for Fatah, Hamas, Palestinian Islamic Jihad, and other terrorists, increasing both the number and lethality of Palestinian terror attacks against Jews, and residents of, or visitors to, the State of Israel, and the risk of death, injury, and other harm to the Plaintiffs and others similarly situated.

The government again moved to dismiss and Judge Kacsmaryck again rejected its claims. He ruled:

ECF No. 49 at 17 (emphasis added). Moreover, Plaintiffs have provided evidence that Defendants' support for UNRWA is undiminished:

[T]he Department's spokesman, after acknowledging Israel's longstanding concerns about the Relief Works Agency's support for Palestinian terrorism, affirmed that such support "*doesn't change our* [the Defendants'] *position* with respect to UNRWA" When asked, "Does that mean the U.S. has decided that UNRWA is not the organization for the future?" he replied, "*No-no.* This is something I spoke to before when I've been asked about the fact that the supplemental request that passed the Senate contained a prohibition on funding for UNRWA."

Id. at 9–10 (emphasis added); DEP'T OF STATE, *Department Press Briefing* — *March 12, 2024* (Mar. 12, 2024), https://www.state.gov/briefings/department-press-briefing-march-12-2024/. Similar comments were made by the administrator of the United States Agency for International Development ("USAID"), who reaffirmed — after the State Department announced its intention to pause UNRWA contributions — the agency's support for UNRWA. ECF No. 54 at 10.

Furthermore:

When Plaintiffs use the term "Trump Policy," they are referring *not* to something amorpheous or indeterminate, but to that administration's (1) termination of Economic Support Fund awards in the West Bank and Gaza and (2) ceasing of contributions to the United Nations Relief Works Agency in 2018. ECF No. 43 at 1. Their amended complaint makes that distinction clear. Accordingly, Defendants' decision to *resume* those two sources of funding each constitute discrete and final agency actions. It may be that Plaintiffs' "Trump Policy" shorthand is less clear than

AFL is proud to represent Congressman Jackson, Mr. and Mrs. Force, and Ms. Singer in their battle against the Biden Administration's lawless subsidies for Palestinian terrorism.

Statement from Reed D. Rubinstein, America First Legal Senior Vice President:

"The Biden Administration's \$1.5 billion in illegal payments to Gaza, the West Bank, and the UNRWA have led to mass death, destruction, and disaster. Biden officials knew that by unlawfully overturning the existing Trump Administration's "no funds" policy and violating the Taylor Force Act, U.S. taxpayers would end up subsidizing Hamas's tunnels and missiles and the corrupt Palestinian Authority's obscene pay-to-slay bounty program. Now, accountability is on the horizon." said Reed D. Rubinstein.

Read the decision here.

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