

# Speech Outline for AB 700, the *California DISCLOSE Act* (parts in grey are optional for longer speeches)

## Who You Are

- **Volunteer for the California Clean Money Campaign**, a non-partisan, non-profit organization working on the problems of Big Money in politics in California for over 12 years in coalition with groups like the League of Women Voters, Common Cause, and others.
- *Grassroots organization with 15 working groups and over 100,000 supporters across the state who are working to make sure that elections are won, not bought.*

## Why California Needs the *California DISCLOSE Act*

- **The Supreme Court's 5-4 *Citizens United* decision opened the floodgates of anonymous spending** on campaigns by ruling there could be *no* limits on outside spending by corporations, unions, or individuals.
- *Super PACS and secretive nonprofits spent over \$1 billion in 2012 through groups like Americans for Prosperity, Crossroads GPS, Restore Our Future, and Priorities USA— all of whose ads hid their funders.*
- **Over \$640 million was spent on CA ballot measures in 2012 and 2014**, most by veiled actors hiding behind misleading names like "*Stop Special Interest Money Now*" or the "*2012 Auto Insurance Discounts Act*".
- **Such deceptive ads by hidden special interests** end up changing everything about our government and lives.

## How the *California DISCLOSE Act* Would Stop Hidden Special Interests

- **BEFORE:** In 2010, despite near-universal opposition from editorial boards and trailing badly in the polls, Proposition 26 passed -- after \$18 million in ads by "*Stop Hidden Taxes*". Since then, Prop 26 has had huge effects by preventing state and local governments from raising fees --even on polluters-- without a 2/3 vote.
- **AFTER:** With AB 700, voters would have clearly seen, in a big white font on a solid black background, that the three largest funders of Prop 26 were actually Chevron, Philip Morris, and Anheuser-Busch.

**Prop 26 passed with 52.5% of the vote. Might 3% have voted differently if they knew who really paid?**

## What the *California DISCLOSE Act* Will Do

- **Require the largest funders of ballot measure ads to be clearly and prominently identified** — on the ads themselves -- so viewers see right then who's actually paying for them.
- **It also applies to radio ads.** AB 700 will replace the "speed-reader guy" ("Paid for by Yes on 26, a Coalition of Taxpayers and Employers, with major funding by...") with a clear statement that says. "The top two funders of this ad are Chevron and Philip Morris. Paid for by Yes on 26." It's actually shorter, and infinitely clearer.
- **Also applies to print ads, mass mailers, and robocalls** for or against state and local ballot measures.
- **Follow-the-Money rules** require ads to report the sources of the contributions, like the actual corporations or billionaires that original gave them money — not misleading committee and non-profit names. No matter many times the money is moved.

## How do we make AB 700 Pass?

- **It won't be easy because it requires a 2/3 vote** since it amends the Political Reform Act of 1974.
- *Last year's bill, SB 52, passed the Senate 28-11, with one Republican voting for it. It passed all its Assembly committees, but was withdrawn due to concerns of major stakeholders to give more time to work on the details.*
- *Proposed language addresses the concerns of stakeholders by replacing SB 52's reliance on the FPFC to create follow-the-money rules with specific, reasonable tracking and reporting requirements ensuring that committees always disclose the largest original sources of their contributions, not misleading committee names.*
- **The first Assembly votes are likely in April.** It has to get out of the legislature by the end of August.
- **That's why we need your help!**

## And now I'll take questions!

- **There are clipboards with petitions for AB 700 going around.** Please sign while I answer questions! If you're interested in volunteering, be sure to circle "Yes" to volunteering.

**[BE SURE TO SAVE ENOUGH TIME AT THE END OF QUESTIONS FOR YOUR CLOSE. IF YOU HAVE TIME TO CIRCULATE PACKETS WITH "I SUPPORT" FORMS AND OTHER MATERIALS, PLEASE DO]**

## *How much of a difference would it make? Let's look at game-changing examples.*

- *Did you know that California is the only state without an oil severance tax when oil companies extract oil from the ground? Why? An oil severance tax to pay for alternative energy was supported by nearly three-to-one in early polls for Prop 87 in 2006. It lost after \$94 million in ads by unknown "Californians against Higher Taxes". Most voters never knew its largest funders were Chevron, Aera Energy, and Occidental Oil and Gas.*
- *Prescription drug discounts supported by consumer advocacy and senior groups led by 15% for Prop 79 in 2005. It lost after the airwaves were flooded with \$123 million in ads from "Californians Against the Wrong Prescription". Its largest funders actually were GlaxoSmithKline, Merck, and Pfizer.*
- *Mandatory labeling of genetically modified foods in Prop 37 led in polls by over two-to-one in 2012. It was defeated with 51.4% of the vote after \$44 million in ads by "Coalition against the Costly Food Labeling Proposition". Its largest funders actually were Monsanto, Dupont, and Pepsico.*
- **Think of any initiative you might support**, and how much of a difference it would make if AB 700 passed.

## *Taking Action with the Handout Packets (If you circulated at end of Q&A).*

- **Everybody please pick up the packets we just circulated.** The first page is a two-page summary of AB 700, its details, and how to contact us on our website.
- **The second sheet is a copy of the petition.** Please get your family and friends to sign it and mail it or fax it in to the address on the bottom. You can print more copies from the website.
- **The third sheet is the "I Support" sheet.** Please fill it out and check off the areas you'd be interested in volunteering – signature gathering, data entry, phone calling, or others. It would be great if you could become a member – we're a grassroots campaign that – believe it or not – doesn't get a lot of money from corporations.

## Wrapping Up

- **Thank you! Be sure to respond to our action alerts when we send them – that's what will help us win!**