



SB 52, the California DISCLOSE Act

Frequently Asked Questions

What does SB 52 do?

SB 52 requires the three largest funders of ballot measure ads (two largest on radio ads and robocalls) to be clearly identified on the ads themselves, so voters know who is really paying for them.

What mediums of ads are covered?

SB 52 applies to TV ads, radio ads, print ads, mass mailers, and robocalls.

What types of ballot measure ads are covered?

SB 52 applies to ads for or against ballot measures, including sham ballot measure ads within 45 days of the election.

It applies to state and local ballot measures and whether ads are paid for by corporations, unions, or millionaires.

How can voters find out about other funders?

All TV and print ads paid for by committees that spent over \$1 million will be required to list a FPPC website with its top ten funders.

What about secretive non-profits?

SB 27 (Correa), which was signed into law by the governor, requires non-profits that make major expenditures on California races to become committees and report their contributions to the Secretary of State. SB 52 will build on that using new "Follow the Money" rules.

How does "Follow the Money" work?

SB 52 requires that the funders shown are the "original source of funds for contribution(s) received... notwithstanding the fact that the funds were transferred, in whole or in part, through one or more other committees or persons".

The FPPC will be required to create the regulations for these new "Follow the Money" requirements by Jan 1, 2016. With them, the major original contributors of the funds will be displayed on the ads – not made-up committee names.

Is SB 52 Constitutional?

Yes! Eight out of nine Supreme Court justices in the 2010 *Citizens United v. FEC* decision affirmed the constitutionality of disclosure requirements. The Brennan Center for Justice at the New York University of Law said "The California DISCLOSE Act, SB 52, stands on a firm constitutional bedrock and is worthy of support."

ENDORSERS INCLUDE

400+ Leaders and Organizations

17 Newspapers

75,000+ petition Signers

- League of Women Voters of California
- California Alliance for Retired Americans
- California Broadcasters Association
- California Church IMPACT
- California Clean Money Campaign
- CA Common Cause
- California Forward Action Fund
- CA National Organization for Women
- CALPIRG
- Consumer Federation of CA
- Courage Campaign
- Greenlining Institute
- Lutheran Office of Public Policy-- CA
- Maplight
- Public Citizen
- Redwood Empire Business Association
- Sierra Club CA
- Southwest Voter Education Project
- U.S. Green Building Council of CA
- Bob Stern, co-author of the Political Reform Act of 1974
- Sacramento Bee
- San Francisco Chronicle
- Fresno Bee
- Long Beach Press Telegram
- Los Angeles Daily News
- Oakland Tribune
- Pasadena Star-News
- San Jose Mercury News
- San Gabriel Valley Tribune
- San Bernardino Sun

For more information:

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How will SB 52 be enforced?

Current law provides for fines up to three times the amount of expenditures that violate the law — fines that could be quite substantial for ads costing hundreds of thousands of dollars or more. The Fair Political Practices Commission will enforce it.

What size contributions must be listed?

The threshold for being displayed is \$50,000, same as current law. The top three funders must be displayed on TV and print ads. The top two funders must be named in radio ads.

Can special interests avoid disclosure by making multiple small contributions?

Contributions will be added up to ensure that the largest funders are shown.

Can the law be subverted by using small print and hard to read text?

No. SB 52 has specific requirements of size and legibility of disclosures to ensure they are all clear and readable.

Will SB 52 cover ads for federal elections?

No, because California laws can't cover federal elections. But it covers all state and local ballot measures, and can be a model for the rest of the country.

Will contributors to small organizations like political clubs have to be listed on their mailers?

Not if the club pays for the mailer itself and its individual contributors each gave less than \$50,000. SB 52 is meant to make sure the public knows who the major contributors are, so smaller donors don't have to be listed.

Is SB 52 an unfair burden on free speech?

No. Great care is being taken in drafting SB 52 to not overly burden political advertisers. Television ad disclosures will take exactly the same amount of time and space as current law (5 seconds on the bottom 1/3 of the screen), but at the start of the ads and much clearer than current law. Radio ad disclosures will actually be significantly shorter than current law, but more effective.

That's why the California Broadcasters Association endorses SB 52, saying *"SB 52 takes the needs of both voters and political advertisers into account by making television disclosures significantly clearer (taking about the same amount of time and space as current law), while dramatically shortening and improving disclosure in radio ads"*.

What happened to AB 1648, and are they different?

The previous version of the *California DISCLOSE Act*, AB 1648 (Brownley), passed the Assembly in August 2012, before running out of time to pass the Senate.

SB 52 is based on AB 1648, but addresses constitutional and stakeholder concerns by removing provisions that required showing logos on a full-screen disclosure on television ads. Instead, SB 52 requires just the names of the top three funders to be shown on a black background on the bottom 1/3 of the screen for the first five seconds of the ad. This is almost the exact same amount of time and space as current law, but much clearer to the voters.

AB 1648, as well as an earlier version of SB 52, also applied to candidate ads. SB 52 now only applies to ballot measure ads.

Is this kind of disclosure popular with the public?

Yes! 84% of Californian voters in the October 13, 2011 Field Poll said they favored legislation that would *"Increase the public disclosure requirements of initiative sponsors to more clearly identify who are its major funders."* The March 2013 California PPIC poll also showed 84% support for a similar question.

What does the press say?

Seventeen newspapers have editorialized in favor of SB 52, including the Sacramento Bee, Los Angeles Daily News, San Jose Mercury News, Long Beach Press-Telegram, Merced Sun-Star, Oakland Tribune, Pasadena Star-News, San Gabriel Valley Tribune, Torrance Daily Breeze, and the Whittier Daily News.

As the Los Angeles Daily News headlined, *"California needs bill to rid campaign ads of anonymity"*.

Is SB 52 bipartisan?

SB 52 passed the Senate on a 28-11 vote with bipartisan support as Senator Anthony Cannella (R-Ceres) joined 27 Democrats in voting Yes. It is endorsed by both Democratic and Republican local elected officials. Support from voters is across the board, with 86% of Democrats, 78% of Republicans, and 88% of Independents in the October 13, 2011 California Field Poll saying they favored this kind of legislation.

Who is behind SB 52?

SB 52 is sponsored by the California Clean Money Campaign, a grassroots non-profit organization with hundreds of volunteers and over 80,000 supporters across the state. CCMC is financed by small contributions from individuals and a small family foundation and takes no corporate or union contributions.

SB 52 is endorsed by over 350 organizations and leaders.

For more information:

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