

SB 52, the *California DISCLOSE Act*

Disclose ballot measure funders where it counts most — On their ads

SB 52, the California DISCLOSE Act, would fight back against unlimited hidden spending on campaigns by letting voters know who REALLY is paying for ballot measure ads — on the ads themselves. SB 52 is authored by Senators Mark Leno and Jerry Hill and sponsored by the California Clean Money Campaign. It requires a 2/3 vote to pass without going to the ballot since it amends the Political Reform Act of 1974.

Democratic Support for the *California DISCLOSE Act*

- SB 52 is endorsed by **Democratic Party Central Committees of Alameda, Contra Costa, Los Angeles, Madera, Marin, Monterey, Orange, Sacramento, San Diego, San Francisco, San Mateo, Santa Clara, Santa Cruz, Sonoma, and Ventura counties.** It is endorsed by the **California Democratic Party's Chicano-Latino, Environmental, Progressive, Rural, & Senior's caucuses,** and by Christine Pelosi, chair of the Women's Caucus.
- "We must fight for a new politics free of special interest money. Our plan is clear — we need to DISCLOSE I know there's a bill in California to this effect. We need to DISCLOSE."
— **Nancy Pelosi, House Minority Leader, endorser of SB 52,** in speech to CA Democratic Convention, 2/12/2012
- "We've tried to fix this with a new law, one that would simply require that you say who you are, and who's paying for your ad. This way voters are able to make an informed judgment about a group's motivations... **This is common sense.**"
— **President Barack Obama,** in address on national DISCLOSE act on September 20, 2010
- "**California Democrats will:** Support and implement full disclosure, on the ads themselves, of the largest major funders of all political television, radio, print, slate mailer, and online advertising for ballot measures, independent expenditures, and issue advocacy, in a way that clearly and unambiguously identifies the largest major donors."
— **2012 and draft 2014 California Democratic Party Platform**

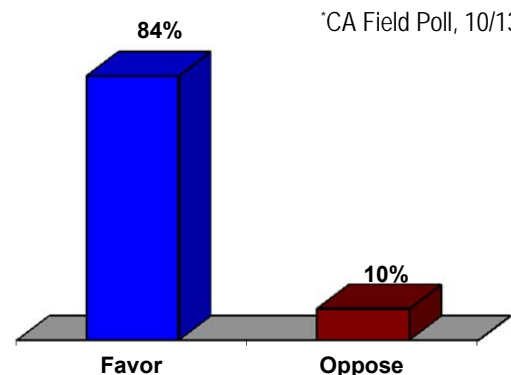
What the *California DISCLOSE Act* Will Do

- **Require the three largest funders of ballot measure ads to be clearly and prominently identified** — on the ads themselves, so voters know who is actually paying for them.
- **Apply to television ads, radio ads, print ads, mass mailers, online ads, and billboards** for or against state and local ballot measures. It applies whether ads are paid for by corporations, unions, or millionaires.
- **Follow-the-Money rules** require ads to report the actual original corporate, union, or individual contributors — not misleading committee and non-profit names. No matter many times the money is moved.

Example Disclosure Required by SB 52 for Proposition 26
for five full seconds

Top Funders of This Ad
Chevron
Philip Morris USA
Anheuser-Busch Companies

84% of Californians favor clearly identifying major funders*



*CA Field Poll, 10/13/2011

SB 52: True Disclosure on Political Ads Will Help Voters

Examples of Popular Initiatives Killed by Anonymous Spending

- **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.
- **Increased cigarette taxes led in the polls by two-to-one for Prop 29 in 2012.** It was defeated by \$66 million in ads with largest funders Philip Morris and RJ Reynolds Tobacco. But voters only saw the vacuous fine print "*Paid for by Californians Against Out of Control Taxes and Spending*".
- **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 engineered 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.

SB 52 is Constitutional and Reasonable

- **8 out of 9 justices in the Supreme Court's Citizens United decision** noted the problems when groups run ads "*while hiding behind dubious and misleading names*". It said we need transparent disclosure for voters "*to make informed decisions and give proper weight to different speakers and messages.*"
- **The new TV ad disclosures use the same time and space** as current law — yet are much more effective. The new radio ad disclosures are actually significantly shorter than now — but get rid of the speed readers.
- The Brennan Center for Justice concluded: "***The California DISCLOSE Act, SB 52, stands on a firm constitutional bedrock and is worthy of support.***"
- **Works with SB 27 (Correa).** SB 27 requires non-profits to report "dark money" contributors to Secretary of State website. SB 52 requires political ads to show them clearly to voters.

The California DISCLOSE Act has Overwhelming Support

- **84% of California voters** said they favored legislation to "*increase the public disclosure requirements of initiative sponsors to more clearly identify who are its major funders*" in the October 13, 2011 Field Poll. Support was across the board, including 88% of Independents, 86% of Democrats, and 78% of Republicans.
- **Over 100,000 Californians have signed** petitions urging the legislature to pass the *California DISCLOSE Act*.
- **SB 52 is endorsed by over 350 organizations and leaders:** *League of Women Voters of CA, CA Alliance for Retired Americans, CA Church IMPACT, CA Clean Money Campaign, CA Common Cause, CA Forward Action Fund, CA National Organization for Women, CALPIRG, Consumer Federation of CA, Greenlining Institute, Lutheran Office of Public Policy - CA, Maplight, Progressives United, Public Citizen, Redwood Empire Business Association, Sierra Club CA, Southwest Voter Education Project, U.S. Green Building Council of CA, ...*
- **17 newspapers have editorialized in favor of SB 52**, including the *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, and the San Bernardino Sun.*

"The overwhelming power of money to mislead voters is a profound moral issue."

— Rev Dr. Rick Schlosser, *California Church IMPACT* with 1.5 million Californians of faith.