

SB 52, California DISCLOSE Act of 2013

Summary of Provisions

SB 52, the *California DISCLOSE Act*, would improve disclosure on ballot measure advertisements to help voters make well-informed decisions and have greater confidence in the electoral process. SB 52 is authored by Senators Mark Leno and Jerry Hill and is sponsored by the California Clean Money Campaign.

The version of SB 52 that passed the Senate in 2013 also covered ads related to candidates and issue advocacy advertisements and to all mediums of advertisements. It has now been narrowed to only apply to advertisements related to ballot measures that are television ads, radio ads, print ads, mass mailings, or robocalls.

Requires Clear and Prominent Disclosure of Top Funders of Ballot Measure Ads

SB 52 requires all state and local ballot measure ads in California to clearly and prominently list their top three original funders of \$50,000 or more (two for radio ads and robocalls).

TV ads: Replaces fine print disclosures with a bold listing of the top three original funders on the bottom 1/3 of the screen on a solid black background for five seconds (ten seconds for ads longer than 30 seconds), plus the name of the committee paying. If the committee paying for the ad spent more than \$1 million, then it must also provide a link to the page on the FPPC website listing its top 10 funders that is required by SB 27.

— *Same amount of time and space as current law, but infinitely more effective at showing top funders.*

Radio ads and robocalls: Replaces confusing speed reader disclosure with a requirement to read simple clear disclosure: “*This ad has major funding by X and Y. Paid for by <Committee Name>*”. It must say the top two original funders and be read in a similar pitch and tone to the rest of the ad.

— *Much shorter than current law disclosures (which can take 12-14 seconds) because it does not require committees’ economic interests or major funders to be read separately as part of their name. But more effective because funders are not obscured by speed-reading gobbledygook.*

— *Disclosures will not have to name the top two funders if the ad names each of them and identifies the speaker as speaking on behalf of them.*

Print Ads and Mass Mailings: Must clearly list their top three original funders and the name of the committee playing for the ad in a white box with black print. If the committee more than \$1 million, then it must also provide a link to the page on the FPPC website listing its top 10 funders that is required by SB 27.

— *Disclosures allowed to be shorter for smaller ads, but still must clearly show at least top funder.*

Other Mediums (e.g. online ads and billboards): Now amended to leave disclosure on them at current law.

Requires FPPC to Create Regulations to Follow the Money to Original Funders

SB 52 requires that the “*identifiable contributors*” that are shown on the disclosures are the “*original source of the contributions... notwithstanding the fact that the contributions were transferred, in whole or in part, through one or more other committees or persons.*” This is crucial so the funders shown on ads are the true original funders, not deceptive or misleading committee or non-profit names.

SB 52 requires the Fair Political Practices Commission to “*promulgate regulations related to the reporting and tracking of funds transferred by an identifiable contributor to committees and other persons*” by January 1, 2016. It has a provision to absolve a recipient of liability for incorrect disclosures caused by incorrect reports from their contributors that they did not know were incorrect or have reason to know were incorrect.