

September 20, 2017

The Hon. Jodi Remke, Chair
Hon. Members
California Fair Political Practices Commission
1102 Q Street, Suite 3000
Sacramento, CA 95811
CommAsst@fppc.ca.gov

Re: Agenda Item 42, Legislative Report, Request The FPPC Endorse AB 249 (Mullin)

Dear Chair Remke and Commissioners:

The below listed organizations are pleased to support AB 249, the *California DISCLOSE Act* and respectfully request that the Commission support the bill, as well.

Campaign spending on ballot measures has reached unprecedented levels. More than \$1 billion was spent in California on ballot measures from 2012 to 2016, almost all of it by donors whose true identities were obscured on ads by misleading names buried in fine print. Although it is essential for individuals and organizations to be able to communicate effectively with voters, it's equally important that voters not be deceived about who paid for the ads they see and therefore who is asking for their vote.

AB 249 significantly improves disclosures on ballot measure and independent expenditure ads, requiring their three largest funders to be shown clearly and unambiguously on television and print ads regardless of whether they're paid for by primarily-formed or general purpose committees. It applies with appropriate and landmark nuances to all major forms of political advertising (radio ads, robocalls, television, electronic, print).

AB 249 also expands existing reporting follow-the-money earmarking rules for contributions to candidates to include contributions meant for specifically identified committees or ballot measures. Even more importantly, it ensures that when a committee primarily formed to support or oppose a state candidate or ballot measure contributes to another committee primarily formed to support or oppose a state candidate or ballot measure and the funds used were earmarked for that candidate or ballot measure, that they must report the earmarked contributions and that those earmarked contributions must be shown on the ads if they're a top contributor.

These rules will, for the first time, reveal true funders on ballot measure ads when the funders attempt to hide behind one or more layers of misleading front groups, while providing a reasonable exemption for unnecessary new earmarking tracking of small donors giving up to \$500 a year for specific ballot measures.

AB 249 would thus stop voters from being routinely and legally misled about funders of ballot measure ads.

Achieving this goal is essential in the era of *Citizens United* in which billionaires and special interests can kill any legislation you pass with a simple – and, for them, inexpensive-- referendum, all the while keeping their identities and, hence, the specially interested motivation behind the referenda, hidden.

A March 2013 poll by the Public Policy Institute of California found that 84% of California voters favored “Increasing public disclosure of funding sources for signature gathering and initiative campaigns”. This support was across the board with at least 80% of voters from each political party in favor, a rare example of near-unanimity in an otherwise divided electorate.

Californians are crying out for AB 249, with more than 100,000 signing petitions urging the legislature to pass this year’s *California DISCLOSE Act*. For these reasons, the organizations listed below SUPPORT AB 249 and respectfully request your endorsement, as well.

FROM: California Clean Money Campaign (sponsor)

- Alliance for Democracy
- American Family Voices
- Brave New Films
- California Common Cause
- CALPIRG
- California League of Conservation Voters
- Consumer Watchdog
- Courage Campaign
- Fight For Reform
- Friends Committee on Legislation of California
- GMO Free California
- League of Women Voters of California
- LegitAction
- Maplight
- Money Out Voters In
- Public Citizen
- Take Back Our Republic
- Voices for Progress Education Fund
- Christine Pelosi, Chair, CA Democratic Party Women’s Caucus
- Bob Stern, Principal co-author of the Political Reform Act of 1974