

AB 1322 – INDEPENDENT EXPENDITURE DISCLOSURE

Assemblymember Jared Huffman

IN BRIEF

Requires additional campaign finance disclosure for independent expenditure committees.

BACKGROUND

In 1910 Hiram Johnson led a progressive reform movement that sought to return power to the people by creating the people's initiative. Since then, however, the initiative system has since been dominated by the moneyed insiders Johnson tried to defeat.

Today, money plays the largest role in initiative qualification and campaigns. Heavy-spending and one-sided campaigns dominate and distort the electoral process.

The easy availability of powerful financial resources has encouraged many private interests to promote initiatives and bypass the legislative process altogether. In some election cycles, proponents and opponents now spend more to influence the electorate to vote on initiatives in unprecedented proportions. Provided in sufficient quantities, money can qualify, and frequently defeat, any ballot measure.

According to the Center for Governmental Studies, California voters rely heavily, if not exclusively, on paid campaign advertisements for ballot measure information. These paid ads, crafted to influence voter opinion, are often misleading or deceptive. Campaign ads are often imbalanced and skewed heavily toward the side with the most money.

Voters are not always aware of who supports or opposes an initiative. By mandating prominent disclosure of financial backers behind campaign ads, voters can be better informed about the interests behind the advertisement.

EXISTING LAW

Government Code section 54503 requires a broadcast or mass mailing advertisement supporting or opposing a candidate or ballot measure that is paid for by an independent expenditure (IE) to include a disclosure statement that identifies the IE committee and the names of the two highest contributions of \$50,000 or more to the IE.

Government Code section 84506.5 requires an advertisement supporting or opposing a candidate that is paid for by an IE to include a statement that it was not authorized by a candidate or a committee controlled by a candidate.

THE SOLUTION

This bill will require broader disclosure on campaign advertisements and more clarity in campaign messaging. Specially, this bill will:

- Require all TV, radio and print advertisements to disclose the top three highest donors of \$50,000 or more;
- Require all campaign communications funded by an IE committee to include an additional statement that the communication is not from the candidate's campaign account; and
- Require disclosure statements on TV advertisements to appear on the bottom one-fourth portion of the screen for the duration of the advertisement so that viewers clearly see the IE's top three major donors.

FOR MORE INFORMATION

Paige Brokaw (916) 319-2006
paige.brokaw@asm.ca.gov