



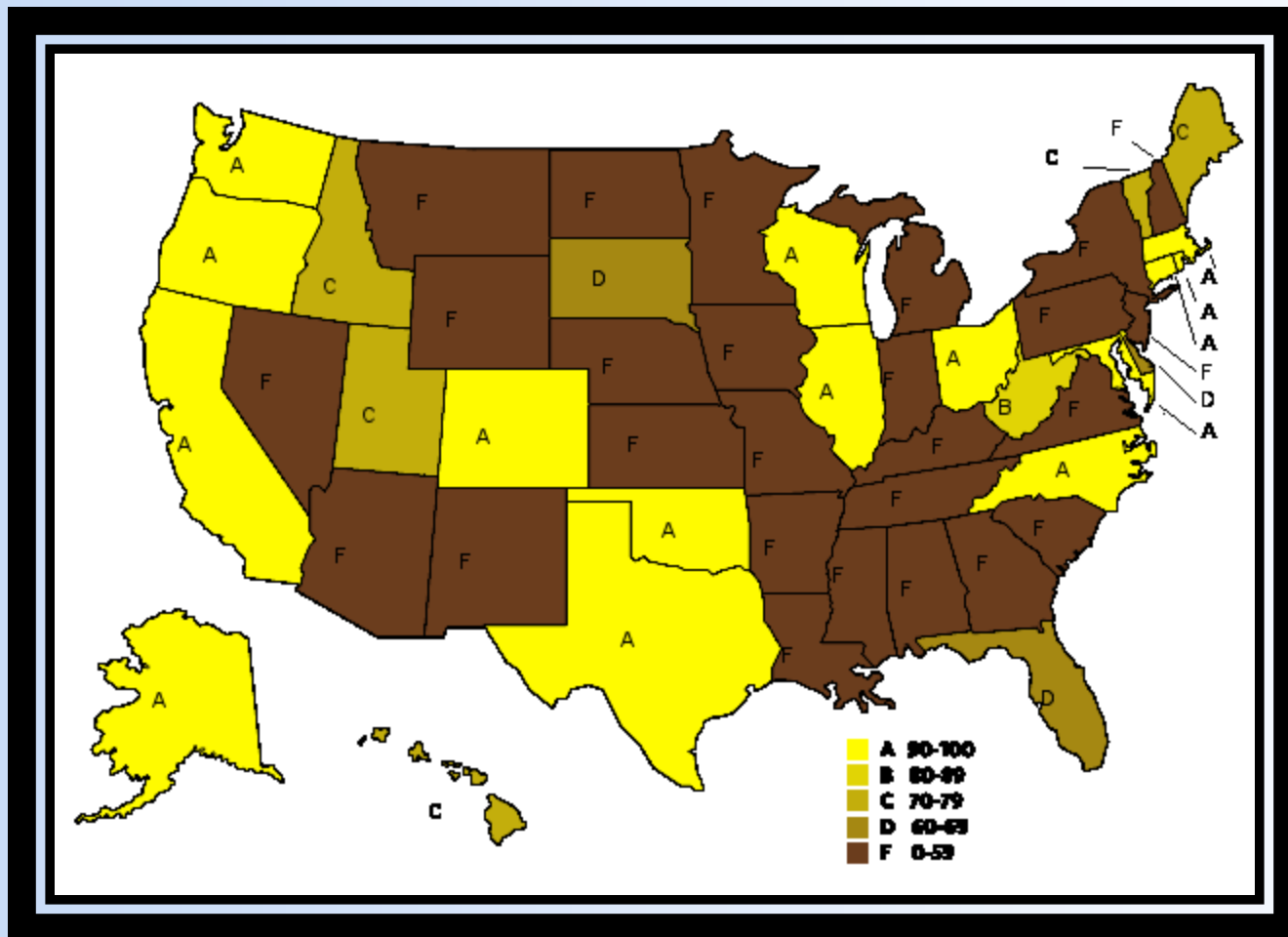
Transparency = Accountability



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Independent Spending Disclosure





Common Disclosure Shortfalls

- ◆ Lack of requirement for express advocacy expenditures
- ◆ Lack of requirement for “issue ad” electioneering communications
- ◆ Lack of requirement for target and position (\$48 million in Florida in 2010)
- ◆ Lack of requirement for certain entities to disclose



Examples of Dark Spending: Wisconsin ECs

- ◆ American Federation for Children reports \$345,000 in independent spending to GAB for 2012
- ◆ AFC's "2012 Election Impact Report" notes AFC spent \$2.4 million to affect Wisconsin 2012 elections
- ◆ Includes "more than \$325,000" in Senate 18 race, of which \$145,000 was reported (600 vote decision)



Examples of Dark Spending: Michigan ECs

- ◆ Michigan has no requirement for EC disclosure
- ◆ Michigan Campaign Finance Network report “\$70 Million Hidden in Plain View”
- ◆ Examined television communications targeting statewide office races from 2000-2010



Examples of Dark Spending: Montana ECs

- ◆ PBS Frontline documentary “Big Sky, Big Money” released October 2012
- ◆ Western Tradition Partnership, a Colorado-based 6501c4, targeted 2008 Republican primaries
- ◆ WTP fundraising script highlighted confidentiality of contributions, saying “You can just sit back on election night and see what a difference you’ve made.”



Source Transparency: California

- ◆ California Fair Political Practices Commission
“Donor Disclosure for Multi-Purpose Organizations”
- ◆ Requires source disclosure for 501c groups and federal and out of state PACs whose funders have reason to know that the group is politically active in California
- ◆ Provides clear rules on which contributions must be reported



Source Transparency: Minnesota

- ◆ Requires funding of 501c groups to be disclosed if the group gives more than \$5,000 in aggregate to committees and if certain other conditions are met
- ◆ As in California, there are clearly defined rules to determine which contributions must be reported.