RECOMMENDATION: Resolution supporting several issues related to broader public participation in the political process and the improvement of local economic conditions through active community engagement and campaign finance reform.

BACKGROUND: The year 2011 was highlighted by rising public awareness and action related to economic distress, economic inequality, and the disproportionate influence of powerful institutions and individuals on local, state and national policy. On January 5, 2012, the California State Assembly introduced a resolution related to campaign finance reform memorializing the Legislature's disagreement with the decision of the United States Supreme Court in *Citizens United v. Federal Election Commission*.

DISCUSSION: Local governmental bodies have addressed these issues by adopting actions and resolutions to support political reform. Recently, the Santa Cruz City Council formed three ad-hoc Council Committees to improve public outreach and to increase public participation regarding our City budgeting process and priorities. Adoption of the attached resolution would further reinforce our current efforts on the local economy and align the Council with broadly supported efforts to address the excess influence powerful economic interests have on our political system.

FISCAL IMPACT: Approval of the recommendation has no fiscal impact.

Submitted by: Don Lane
Submitted by: David Terrazas
Submitted by: Ryan Coonerty
Mayor
Councilmember
Councilmember

Attachments: Resolution
Assembly Bill 1148 (amended January 13, 2012)
RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ
SUPPORTING SEVERAL ITEMS RELATED TO BROADER PUBLIC PARTICIPATION
IN THE POLITICAL PROCESS AND IMPROVEMENT OF
LOCAL ECONOMIC CONDITIONS

WHEREAS, efforts have sprung up in hundreds of communities across the United States including Santa Cruz to increase public participation and encourage meaningful reform in national, state and local government; and

WHEREAS, these movements have raised important issues related to income inequality, improper banking practices, rising student debt levels and increased corporate influence on our nation’s politics and governance; and

WHEREAS, in the Santa Cruz community, many groups have embraced related goals to address these issues such as: supporting local business and economic development, encouraging local banking, raising awareness of the mortgage foreclosure crisis, educating people about the significant burden rising tuition and fees have on today’s youth and increasing efforts to build community and expand civic engagement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Cruz that it hereby will continue and strengthen its work toward local community investment and job creation.

BE IT FURTHER RESOLVED that the City Council will move forward with an enhanced local purchasing preference policy to increase support for local businesses, local jobs and the local economy.

BE IT FURTHER RESOLVED that the City of Santa Cruz will explore additional opportunities to utilize local banking institutions and increase the investment of funds in local banks and credit unions.

BE IT FURTHER RESOLVED that the City Council supports efforts challenging the documented abuses of large financial institutions including unlawful foreclosures and evictions, and debt collection on local residents.

BE IT FURTHER RESOLVED that the City Council supports efforts to significantly increase the participation and influence of local residents in our political system and to diminish the influence of special interests in the political process.

BE IT FURTHER RESOLVED that the City Council supports a Federal constitutional amendment to remedy the negative impacts of unconstrained corporate spending on political activity and approval of California Assembly Bill (AB) 1148 (new campaign finance disclosure rules) to help voters make better informed decisions by disclosing the true funders of political ads in the ads themselves to counter the negative impact of the United States Supreme Court’s Citizens United decision on California’s political process and to reinvigorate civic engagement within our community.
BE IT FURTHER RESOLVED that the Mayor is hereby directed to write letters to appropriate State and Federal officials indicating the City’s support for above referenced constitutional amendment and for AB 1148.

PASSED AND ADOPTED this 24th day of January, 2012, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: __________________________
Mayor

ATTEST: __________________________
City Clerk Administrator
Introduced by Assembly Member Brownley  
(Principal coauthor: Assembly Member Fong)  
(Coauthors: Assembly Members Alejo, Allen, Ammiano, Beall, Bonilla, Buchanan, Feuer, Gordon, Hayashi, Hill, Huffman, Ma, Monning, Portantino, Skinner, Swanson, and Wieckowski, and Williams)  
(Coauthors: Senators Hancock and, Leno, Pavley, and Yee)  

February 18, 2011
and to contain other specified information in specified formatting. The act requires that each candidate and each ballot measure that has paid to appear in the slate mailer be designated by an asterisk.

This bill would instead require that a candidate or ballot measure appearing in the slate mailer be designated by an asterisk if the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures that is sending the slate mailer has received payment to include the candidate or ballot measure in the slate mailer.

The act also regulates advertisements, which are defined as any general or public advertisement that is authorized and paid for by a person or committee for the purpose of supporting or opposing a candidate for elective office or a ballot measure or ballot measures. The act places certain disclosure requirements on advertisements for or against any ballot measure, including that the advertisement disclose any person who has made cumulative contributions of $50,000 or more, as prescribed. The act places more specific disclosure requirements on broadcast or mass mailing advertisements that are paid for by independent expenditures that support or oppose a candidate or ballot measure.

This bill would repeal and recast those provisions to impose, instead, provisions relating to disclosures for advertisements paid for by an independent expenditure and required disclosures of persons who have made cumulative contributions of $50,000 or more. This bill would, instead, impose specified disclosure requirements on radio, television, and video advertisements, and certain mass mailing and print advertisements that support or oppose a candidate or ballot measure or solicit contributions in support of those purposes. The bill would require advertisements that are authorized by a candidate or agent of the candidate to include a statement in which the candidate identifies himself or herself and states that he or she approves the message. The bill would require these advertisements that are not authorized by a candidate or an agent of the candidate to disclose, in a prescribed format, the 3 largest identifiable contributors, as defined, of the committee that paid for the advertisement. The bill would also require that a committee establish and maintain a committee disclosure Internet Web site, as defined, which discloses the top 5 identifiable contributors and provides a link to the Internet Web site.
maintained by the Secretary of State for campaign finance disclosures of the committee. The bill would require these advertisements to identify the address for the committee disclosure Internet Web site.

Existing law makes a knowing or willful violation of the Political Reform Act of 1974 a misdemeanor and subjects offenders to criminal penalties.

This bill would impose a state-mandated local program by creating additional crimes.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act’s purposes upon a two-thirds vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

The Political Reform Act of 1974, an initiative measure, provides that the act may be amended by a statute that becomes effective upon approval of the voters.

This bill would require the Secretary of State to submit the provisions of the bill that would amend the Political Reform Act of 1974 to the voters for approval at a statewide election, as specified.

The people of the State of California do enact as follows:

SECTION 1. Section 84305.5 of the Government Code is amended to read:

84305.5. (a) A slate mailer organization or committee primarily formed to support or oppose one or more ballot measures shall not send a slate mailer unless the slate mailer complies with all of the following:

(1) The name, street address, and city of the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures are shown on the outside of each piece of slate mail and on at least one of the inserts included with each piece of slate mail in no less than 8-point roman type, which shall
be in a color or print that contrasts with the background so as to be easily legible. A post office box may be stated in lieu of a street address if the street address of the slate mailer organization or the committee primarily formed to support or oppose one or more ballot measures is a matter of public record with the Secretary of State’s Political Reform Division.

(2) At the top or bottom of the front side or surface of at least one insert, or at the top or bottom of one side or surface of a postcard or other self-mailer, there is a notice in at least 8-point roman boldface type, which shall be in a color or print that contrasts with the background so as to be easily legible, and in a printed or drawn box and set apart from any other printed matter. The notice shall consist of the following statement:

```
NOTICE TO VOTERS

THIS DOCUMENT WAS PREPARED BY (name of slate mailer organization or committee primarily formed to support or oppose one or more ballot measures), NOT AN OFFICIAL POLITICAL PARTY ORGANIZATION. Appearance in this mailer does not necessarily imply endorsement of others appearing in this mailer, nor does it imply endorsement of, or opposition to, any issues set forth in this mailer. (Name of slate mailer organization or committee primarily formed to support or oppose one or more ballot measures) has been paid to include each candidate and ballot measure that is designated by an *.
```

(3) (A) Each candidate and each ballot measure for which the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures has received payment to include the candidate or ballot measure in the slate mailer is designated by an *. A candidate or ballot measure for which the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures has not received payment to include the candidate or ballot measure in the slate mailer shall not be designated by an *.

(B) The * required by this paragraph shall be of the same type size, type style, color or contrast, and legibility as is used for the
name of the candidate, or the ballot measure name or number and position advocated, to which the * designation applies, except that in no case shall the * be required to be larger than 10-point boldface type. The designation shall immediately follow the name of the candidate, or the name or number and position advocated on the ballot measure, where the designation appears in the slate of candidates and measures. If there is no slate listing, the designation shall appear at least once in at least 8-point boldface type, immediately following the name of the candidate, or the name or number and position advocated on the ballot measure.

(4) The name of a candidate appearing in the slate mailer who is a member of a political party differing from the political party that the mailer appears by representation or indicia to represent is accompanied, immediately below the name, by the party designation of the candidate, in no less than 9-point roman type, which shall be in a color or print that contrasts with the background so as to be easily legible. The designation shall not be required in the case of candidates for nonpartisan office.

(b) The name, street address, and city of the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures, as required by paragraph (1) of subdivision (a), and the notice required by paragraph (2) of subdivision (a) may appear on the same side or surface of an insert in the slate mailer.

SEC. 2. Article 5 (commencing with Section 84501) of Chapter 4 of Title 9 of the Government Code is repealed.

SEC. 3. Article 5 (commencing with Section 84501) is added to Chapter 4 of Title 9 of the Government Code, to read:

Article 5. Disclosure in Advertisements

84501. For purposes of this article the following terms have the following meanings:

(a) (1) Advertisement means any general or public advertisement which is authorized and paid for by a person or committee for the purpose of supporting or opposing a candidate for elective office or a ballot measure or ballot measures.

(2) Advertisement does not include a communication from an organization other than a political party to its members, a campaign button smaller than 10 inches in diameter, a bumper
sticker smaller than 60 square inches, or other advertisement as
determined by regulations of the Commission.

(b) Committee disclosure Internet Web site means the Internet-
Web site for a committee identifying the top identifiable-
contributors to that committee, as described in Section 84506.

(c) Cumulative contributions means the cumulative amount
of contributions received by a committee during a period of time
to be determined by the Commission by regulation, but in no event
less than the period commencing 18 months prior to the date the
committee made its first expenditure to qualify, support, or oppose
a candidate for elective office or a ballot measure or ballot-
measures and ending seven days after the advertisement is sent to
the printer or broadcast station or uploaded to the Internet.

(d) Identifiable contributor means a person or committee that
has made cumulative contributions of at least ten thousand dollars
($10,000) to a committee.

84502. The Commission shall adopt regulations that establish
the span of time used to calculate cumulative contributions,
consistent with the requirements of subdivision (c) of Section
84501. A regulation adopted pursuant to this section shall be
adopted as an emergency regulation, pursuant to Section 11346.1.

84503. (a) A radio advertisement that supports or opposes a
candidate or ballot measure or solicits contributions in support of
that purpose shall, if the advertisement is authorized by a candidate
or an agent of the candidate, include an audio statement in which
the candidate identifies himself or herself and states that the
candidate has approved the message. If the candidate is an
identifiable contributor to the committee that paid for the
advertisement, the candidate shall also state that his or her
contributions paid for the advertisement in part.

(b) A radio advertisement that supports or opposes a candidate
or ballot measure or solicits contributions in support of that
purpose, shall include, at the end of the advertisement, a disclosure
read in a clearly spoken manner in a pitch and tone substantially
similar to the rest of the advertisement that reads as follows: Top
three funders are [state names in descending order of identifiable-
contributors who made the three largest cumulative contributions
to the committee that paid for the advertisement]. Full funding
details at [insert Internet Web site address of the committee
disclosure Internet Web site].
(c) If there are fewer than three identifiable contributors, the disclosure shall be adjusted accordingly to disclose the qualifying identifiable contributors, if any.

84504. (a) A television or video advertisement that supports or opposes a candidate or ballot measure or solicits contributions in support of that purpose shall, if the advertisement is authorized by a candidate or an agent of the candidate, include a statement in which the candidate identifies himself or herself and states that the candidate has approved the message. If the candidate is an identifiable contributor to the committee that paid for the advertisement, the candidate shall also state that his or her contributions paid for the advertisement in part.

(b) A television or video advertisement that supports or opposes a candidate or ballot measure or solicits contributions in support of that purpose shall include all of the following at the end of the advertisement:

(1) A full-screen without audio on a black background for a minimum of three seconds that is dedicated to the disclosure described in this subdivision.

(2) The text Top Funders for This Ad located at the top of the television or video display screen and centered horizontally. The text shall be white in color and the font size shall be at least 5 percent of the height of the television or video display screen.

(3) Immediately below the text described in paragraph (2), the logos, if any, as they appear on the Internet Web site homepage of the identifiable contributor, for the identifiable contributors who made the three largest cumulative contributions to the committee that paid for the advertisement. Each logo shall occupy at least 15 percent of the width or height of the television or video display screen and the logos shall be displayed from left to right in descending order beginning with the largest identifiable contributor.

(4) Immediately below the logos, if any, described in paragraph (3), or beneath the text described in paragraph (2) if no identifiable contributor has a logo, the identifiable contributors who have made the three largest cumulative contributions to the committee that paid for the advertisement. The three identifiable contributors shall each be disclosed on a separate vertical line, in descending order, beginning with the identifiable contributor who made the largest cumulative contribution on the first line. The name of each of the three identifiable contributors shall be centered horizontally.
text shall be white in color and the font size shall be at least 5 percent the height of the television or video display screen.

(5) The text **Full Funding Details** At [insert Internet Web site address of the committee disclosure Internet Web site]. The text shall be white in color and the font size shall be equivalent to 4 percent of the height of the television or video display screen. The text shall be located in a position that is vertically 4 percent above the bottom of the television or video display screen.

(6) If there are fewer than three identifiable contributors, the disclosure shall be adjusted accordingly to disclose only those that qualify as identifiable contributors, if any.

84505. Except for slate mailers, any mass mailing or print advertisement that supports or opposes a candidate or ballot measure or solicits contributions in support of that purpose shall include a disclosure area on the largest page of the mass mailing or print advertisement that meets all of the following criteria:

(a) The disclosure area shall be set apart from the rest of the page on which it is located by a line framing the disclosure area in the shape of a square or rectangle and the line shall be a color that is darker than the background color of the remainder of the disclosure area. The disclosure area within the border line shall have a solid background color that establishes a contrast to the color of the disclosure text that is equivalent to or greater than the text and background color contrast in the other areas of the mass mailing or print advertisement:

(b) The text **Top Funders of This Ad** shall be located at the top of the disclosure area and centered horizontally on the page. The text shall be in a font size of at least 14-point for pages smaller than 8.5 inches by 11 inches and at least 16-point for pages that are equal to, or larger than, 8.5 inches by 11 inches:

(c) Immediately below the text described in subdivision (b) shall be printed the logos, if any, as they appear on the Internet Web site homepage of the identifiable contributor, for the identifiable contributors who made the three largest cumulative contributions to the committee. Each logo shall occupy at least 8 percent of the width or height of the page on which the disclosure area is located and the logos shall be displayed from left to right in descending order beginning with the largest identifiable contributor.

(d) Immediately below the logos, if any, described in subdivision (e), or beneath the text described in subdivision (b) if no
identifiable contributor has a logo, shall be identified by name the identifiable contributors who have made the three largest cumulative contributions to the committee that paid for the mailing or print advertisement. The three identifiable contributors shall each be disclosed on a separate vertical line, in descending order, beginning with the identifiable contributor who made the largest cumulative contribution on the first line. The name of each of the three identifiable contributors shall be centered horizontally. The text shall identify the identifiable contributor in a font size of at least 10-point for pages smaller than 8.5 inches by 11 inches and at least 12-point for pages that are equal to, or larger than, 8.5 inches by 11 inches.

(e) The text Full Funding Details. At [insert Internet Web site address of the committee disclosure Internet Web site]. The text shall be located at the bottom of the disclosure area and shall be in 10-point font size for pages smaller than 8.5 inches by 11 inches and at least 12-point font size for pages that are equal to, or larger than, 8.5 inches by 11 inches.

(f) If there are fewer than three identifiable contributors, the disclosure shall be adjusted accordingly to disclose the qualifying identifiable contributors, if any.

84506. A committee that pays for an advertisement described in this article shall establish and maintain a committee disclosure Internet Web site. If the committee has an Internet Web site home page, that Internet Web site may also serve as the committee disclosure Internet Web site. The committee disclosure Internet Web site shall dedicate a full page, or part of a page, of the Internet Web site for making a contribution disclosure statement that includes all of the following:

(a) The disclosure statement area shall be at least 250 pixels wide. The disclosure area shall have a white background and a border that is dark in color.

(b) A title that reads Top Funders of This Committee. The text shall be black in color and shall be at least 10-point font size.

(e) Immediately below the text described in subdivision (b), a list of the identifiable contributors who have made the three largest cumulative contributions to the committee. Each of the three identifiable contributors shall be disclosed on a separate vertical line, in descending order, beginning with the identifiable contributor who made the largest cumulative contribution on the
The text shall be black in color and the shall be at least 9-point font size.

Immediately below the text described in subdivision (c), the logos, if any, as they appear on the Internet Web site homepage of the identifiable contributor, for the identifiable contributors who made the very largest cumulative contributions to the committee. Each logo shall occupy at least 75 horizontal or vertical pixels and shall be displayed from left to right in descending order beginning with the largest identifiable contributor.

(e) A link to the Internet Web site maintained by the Secretary of State that contains campaign finance disclosures made by the committee pursuant to this title for the current election cycle. The link shall be labeled Full funding info at Secretary of State’s Internet Web site. The link shall be a standard hyperlink that is displayed as blue underline text in Arial equivalent font in at least 9-point font size.

(f) If there are fewer than very identifiable contributors, the disclosure shall be adjusted accordingly to disclose the qualifying identifiable contributors, if any.

For purposes of any disclosure required under this article, the following shall also apply in the event that an identifiable contributor is a person who is an individual:

(a) If the committee receiving the contribution is supporting or opposing a candidate, then the disclosure shall include the occupation and employer of the identifiable contributor in addition to the contributor’s name.

(b) If the committee receiving the contribution is supporting or opposing a ballot measure, and the passage or defeat of the ballot measure directly benefits or harms the employer of the identifiable contributor, then the disclosure shall include the occupation and employer of the identifiable contributor in addition to the contributor’s name. However, if an employer of an identifiable contributor is also an identifiable contributor of that committee, then the contributions of the employees shall, instead, be deemed to be contributions by the employer for purposes of determining the total cumulative contribution made by the employer in order to determine which identifiable contributors shall be disclosed on an advertisement pursuant to this article.

(c) If the committee receiving the contribution is supporting or opposing a ballot measure, and the passage or defeat of the ballot
measure does not directly benefit or harm the employer of the identifiable contributor, then the disclosure shall include only the name of the identifiable contributor.

SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 5. The Legislature finds and declares that this bill furthers the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.

SEC. 2. Section 84501 of the Government Code is repealed.

SEC. 3. Section 84501 is added to the Government Code, to read:

84501. For purposes of this article, the following terms have the following meanings:

(a) Advertisement means any general or public advertisement which is authorized and paid for by a person or committee for the purpose of supporting or opposing a candidate for elective office or a ballot measure or ballot measures—

(b) Advertisement does not include a communication from an organization other than a political party to its members, a campaign button smaller than 10 inches in diameter, a bumper sticker smaller than 60 square inches, or other advertisement as determined by regulations of the commission.

SEC. 1. The Legislature finds and declares that this bill furthers the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.
committee for the purpose of supporting or opposing a candidate for elective office or a ballot measure or ballot measures.

(2) Advertisement does not include a communication from an organization other than a political party to its members, a campaign button smaller than 10 inches in diameter, a bumper sticker smaller than 60 square inches, or other advertisement as determined by regulations of the Commission.

(b) Committee disclosure Internet Web site means the Internet Web site for a committee identifying the top identifiable contributors to that committee, as described in Section 84506.3.

(c) Cumulative contributions means the cumulative amount of contributions received by a committee beginning 18 months prior to the date the committee made its first expenditure to qualify, support, or oppose a candidate for elective office or a ballot measure or ballot measures and ending seven days before the advertisement is sent to the printer or broadcast station or uploaded to the Internet.

(d) Identifiable contributor means a person or committee that has made cumulative contributions of at least ten thousand dollars ($10,000) to a committee.

SEC. 4. Section 84502 of the Government Code is repealed.

84502. Cumulative contributions means the cumulative amount of contributions received by a committee beginning 12 months prior to the date the committee made its first expenditure to qualify, support, or oppose the measure and ending within seven days of the time the advertisement is sent to the printer or broadcast station.

SEC. 5. Section 84503 of the Government Code is repealed.

84503. (a) Any advertisement for or against any ballot measure shall include a disclosure statement identifying any person whose cumulative contributions are fifty thousand dollars ($50,000) or more.

(b) If there are more than two donors of fifty thousand dollars ($50,000) or more, the committee is only required to disclose the highest and second highest in that order. In the event that more than two donors meet this disclosure threshold at identical contribution levels, the highest and second highest shall be selected according to chronological sequence.

SEC. 6. Section 84504 of the Government Code is amended to read:
84504. (a) Any committee that supports or opposes one or more ballot measures shall name and identify itself using a name or phrase that clearly identifies the economic or other special interest of its major donors of fifty thousand dollars ($50,000) or more in any reference to the committee required by law, including, but not limited, to its statement of organization led pursuant to Section 84101.

(b) If the major donors of fifty thousand dollars ($50,000) or more share a common employer, the identity of the employer shall also be disclosed.

(c) Any committee which supports or opposes a ballot measure; shall print or broadcast its name as provided in this section as part of any advertisement or other paid public statement, unless the advertisement is required to include a disclosure pursuant to any other section of this article.

(d) If candidates or their controlled committees, as a group or individually, meet the contribution thresholds for a person, they shall be identified by the controlling candidate’s name.

SEC. 7. Section 84505 of the Government Code is amended to read:

84505. In addition to the requirements of Sections 84503, 84504, 84506, and 84506.5 84506.1, 84506.2, and 84506.3, the committee placing the advertisement or persons acting in concert with that committee shall be prohibited from creating or using a noncandidate-controlled committee or a nonsponsored committee to avoid, or that results in the avoidance of, the disclosure of any individual, industry, business entity, controlled committee, or sponsored committee as a major funding source.

SEC. 8. Section 84506 of the Government Code is repealed.

84506. (a) A broadcast or mass mailing advertisement supporting or opposing a candidate or ballot measure, that is paid for by an independent expenditure, shall include a disclosure statement that identifies both of the following:

(1) The name of the committee making the independent expenditure.

(2) The names of the persons from whom the committee making the independent expenditure has received its two highest cumulative contributions of fifty thousand dollars ($50,000) or more during the 12-month period prior to the expenditure. If the committee can show, on the basis that contributions are spent in
the order they are received, that contributions received from the
two highest contributors have been used for expenditures unrelated
to the candidate or ballot measure featured in the communication,
the committee shall disclose the contributors making the next
largest cumulative contributions of fifty thousand dollars ($50,000)—
or more.
(b) If an acronym is used to identify any committee names
required by this section, the names of any sponsoring organization
of the committee shall be printed on print advertisements or spoken
in broadcast advertisements.
SEC. 9. Section 84506 is added to the Government Code, to
read:
84506. (a) A radio advertisement that supports or opposes a
candidate or ballot measure or solicits contributions in support
of that purpose shall, if the advertisement is authorized by a
candidate or an agent of the candidate, include an audio statement
in which the candidate identifies himself or herself and states that
the candidate has approved the message.
(b) A radio advertisement that supports or opposes a candidate
or ballot measure or solicits contributions in support of that
purpose shall, if the advertisement is not authorized by a candidate
or an agent of the candidate, include at the end of the
advertisement a disclosure read in a clearly spoken manner in a
pitch and tone substantially similar to the rest of the advertisement
that reads as follows: Top funders of this ad are [state names in
descending order of identifiable contributors who made the three
largest cumulative contributions to the committee that paid for the
advertisement]. Full funding details at [state Internet Web site
address of the committee disclosure Internet Web site].
(c) If there are fewer than three identifiable contributors, the
disclosure shall be adjusted accordingly to disclose the qualifying
identifiable contributors, if any. If the committee does not have
any identifiable contributors, but the committee has received
cumulative contributions totaling at least ten thousand dollars
($10,000), the disclosure shall be adjusted to include the name of
the committee in the place of the names of identifiable contributors.
SEC. 10. Section 84506.1 is added to the Government Code,
to read:
84506.1. (a) A television or video advertisement that supports
or opposes a candidate or ballot measure or solicits contributions
in support of that purpose shall, if the advertisement is authorized by a candidate or an agent of the candidate, include a statement in which the candidate identifies himself or herself and states that the candidate has approved the message.

(b) A television or video advertisement that supports or opposes a candidate or ballot measure or solicits contributions in support of that purpose shall, if the advertisement is not authorized by a candidate or an agent of the candidate, include all of the following at the end of the advertisement:

(1) A full-screen without audio on a black background for a minimum of three seconds that is dedicated to the disclosure described in this subdivision.

(2) The text Top Funders for This Ad located at the top of the television or video display screen and centered horizontally. The text shall be white in color and the font size shall be at least 5 percent of the height of the television or video display screen.

(3) Immediately below the text described in paragraph (2), the logos, if any, as they appear on the Internet Web site homepage of the identifiable contributor, for the identifiable contributors who made the three largest cumulative contributions to the committee that paid for the advertisement. Each logo shall occupy at least 15 percent of the width or height of the television or video display screen and the logos shall be displayed from left to right in descending order beginning with the largest identifiable contributor.

(4) Immediately below the logos, if any, described in paragraph (3), or beneath the text described in paragraph (2) if no identifiable contributor has a logo, the identifiable contributors who have made the three largest cumulative contributions to the committee that paid for the advertisement. The three identifiable contributors shall each be disclosed on a separate vertical line, in descending order, beginning with the identifiable contributor who made the largest cumulative contribution on the first line. The name of each of the three identifiable contributors shall be centered horizontally. The text shall be white in color and the font size shall be at least 5 percent of the height of the television or video display screen.

(5) The text Full Funding Details At [insert Internet Web site address of the committee disclosure Internet Web site]. The text shall be white in color and the font size shall be equivalent to 4 percent of the height of the television or video display screen.
text shall be located in a position that is vertically 4 percent above
the bottom of the television or video display screen.

(6) If there are fewer than three identifiable contributors, the
disclosure shall be adjusted accordingly to disclose only those
that qualify as identifiable contributors, if any. If the committee
does not have any identifiable contributors, but the committee has
received cumulative contributions totaling at least ten thousand
dollars ($10,000), the disclosure shall be adjusted to include the
name of the committee in the place of the names of identifiable
contributors.

SEC. 11. Section 84506.2 is added to the Government Code,
to read:

84506.2. Except for slate mailers or advertisements that are
authorized by a candidate or an agent of the candidate, any mass
mailing or print advertisement that supports or opposes a
candidate or ballot measure or solicits contributions in support
of that purpose and that is paid for by a committee, or by any
person who is not a committee and who spends more than one
thousand dollars ($1,000) on mass mailing or print advertising
cumulatively in the period beginning 18 months prior to the date
the person made his or her first expenditure to qualify, support,
or oppose the candidate for elective office or the ballot measure
and ending seven days before the mass mailing or print
advertisement is sent to the printer, shall include a disclosure area
on the largest page of the mass mailing or print advertisement that
meets all of the following criteria:

(a) The disclosure area shall be set apart from the rest of the
page on which it is located by a line framing the disclosure area
in the shape of a square or rectangle and the line shall be a color
that is darker than the background color of the remainder of the
disclosure area. The disclosure area within the border line shall
have a solid background color that establishes a contrast to the
color of the disclosure text that is equivalent to or greater than
the text and background color contrast in the other areas of the
mass mailing or print advertisement.

(b) For purposes of a mass mailing or print advertisement paid
for by a committee, the disclosure shall include the following:

(1) The text Top Funders of This Ad shall be located at the
top of the disclosure area and centered horizontally in the
disclosure area. The text shall be in a font size of at least 14-point
for pages smaller than 8.5 inches by 11 inches and at least 16-point
for pages that are equal to, or larger than, 8.5 inches by 11 inches.

(2) Immediately below the text described in paragraph (1) shall
be printed the logos, if any, as they appear on the Internet Web
site homepage of the identifiable contributor, for the identifiable
contributors who made the three largest cumulative contributions
to the committee. Each logo shall occupy at least 8 percent of the
width or height of the page on which the disclosure area is located
and the logos shall be displayed from left to right in descending
order beginning with the largest identifiable contributor.

(3) Immediately below the logos, if any, described in paragraph
(2), or beneath the text described in paragraph (1) if no identifiable
contributor has a logo, shall be identified by name the identifiable
contributors who have made the three largest cumulative
contributions to the committee that paid for the mass mailing or
print advertisement. The three identifiable contributors shall each
be disclosed on a separate vertical line, in descending order,
beginning with the identifiable contributor who made the largest
cumulative contribution on the first line. The name of each of the
three identifiable contributors shall be centered horizontally. The
text shall identify the identifiable contributor in a font size of at
least 10-point for pages smaller than 8.5 inches by 11 inches and
at least 12-point for pages that are equal to, or larger than, 8.5
inches by 11 inches.

(4) The text “Full Funding Details At [insert Internet Web site
address of the committee disclosure Internet Web site]. The text
shall be located at the bottom of the disclosure area and shall be
in 10-point font size for pages smaller than 8.5 inches by 11 inches
and at least 12-point font size for pages that are equal to, or larger
than, 8.5 inches by 11 inches.

(5) If there are fewer than three identifiable contributors, the
disclosure shall be adjusted accordingly to disclose the qualifying
identifiable contributors, if any. If the committee does not have
any identifiable contributors, but the committee has received
cumulative contributions totaling at least ten thousand dollars
($10,000), the disclosure shall be adjusted to include the name of
the committee in the place of the names of identifiable contributors.

(c) For purposes of a mass mailing or print advertisement paid
for by a person who is not a committee and who spends more than
one thousand dollars ($1,000) on mass mailings or print
advertisements, as described in this section, the disclosure shall include the text This advertisement funded by [insert name of the person who paid for the mass mailing or print advertisement]. The text shall be centered within the disclosure area and shall be in a font size of at least 14-point for pages smaller than 8.5 inches by 11 inches and at least 16-point for pages that are equal to, or larger than, 8.5 inches by 11 inches. The person shall not be required to create or maintain a disclosure Internet Web site described in Section 85406.3.

SEC. 12. Section 84506.3 is added to the Government Code, to read:

84506.3. Except for a committee that is controlled by a candidate, a committee that pays for an advertisement described in this article shall establish and maintain a committee disclosure Internet Web site. If the committee has an Internet Web site homepage, that Internet Web site may also serve as the committee disclosure Internet Web site. The homepage of the committee disclosure Internet Web site and any other Internet Web sites maintained by the committee shall include a disclosure statement area for the purpose of making a contribution disclosure statement that includes all of the following:

(a) The disclosure statement area shall be at least 250 pixels wide. The disclosure area shall have a white background and a border that is dark in color.

(b) A title that reads Top Funders of This Committee. The text shall be black in color and shall be at least 10-point font size.

(c) Immediately below the text described in subdivision (b), a list of the identifiable contributors who have made the five largest cumulative contributions to the committee. Each of the five identifiable contributors shall be disclosed on a separate vertical line, in descending order, beginning with the identifiable contributor who made the largest cumulative contribution on the first line. The text shall be black in color and shall be at least 9-point font size.

(d) Immediately below the text described in subdivision (c), the logos, if any, as they appear on the Internet Web site homepage of the identifiable contributor, for the identifiable contributors who made the five largest cumulative contributions to the committee. Each logo shall occupy at least 75 horizontal or vertical
pixels and shall be displayed from left to right in descending order
beginning with the largest identifiable contributor.
(e) A link to the Internet Web site maintained by the Secretary
of State that contains campaign finance disclosures made by the
committee pursuant to this title for the current election cycle. The
link shall be labeled Full funding info at Secretary of State’s
Internet Web site. The link shall be a standard hyperlink that is
displayed as blue underlined text in Arial equivalent font in at
least 9-point font size.
(f) If there are fewer than ve identifiable contributors, the
disclosure shall be adjusted accordingly to disclose the qualifying
identifiable contributors, if any. If the committee does not have
any identifiable contributors, but the committee has received
cumulative contributions totaling at least ten thousand dollars
($10,000), the disclosure shall be adjusted to include the name of
the committee in the place of the names of identifiable contributors.
SEC. 13. Section 84506.5 of the Government Code is repealed.
84506.5. An advertisement supporting or opposing a candidate
that is paid for by an independent expenditure must include a
statement that it was not authorized by a candidate or a committee
controlled by a candidate.
84507. Any disclosure statement required by this article shall
be printed clearly and legibly in no less than 10-point type and in
a conspicuous manner as dened by the commission or, if the
communication is broadcast, the information shall be spoken so
as to be clearly audible and understood by the intended public and
otherwise appropriately conveyed for the hearing impaired.
SEC. 15. Section 84507 is added to the Government Code, to
read:
84507. For purposes of any disclosure required by Sections
84506 to 84506.3, inclusive, for advertisements that are not
authorized by a candidate or an agent of the candidate, the
following shall also apply in the event that an identifiable
contributor is a person who is an individual:
(a) If the committee receiving the contribution is supporting or
opposing a candidate, then the disclosure shall include the
occupation and employer of the identifiable contributor in addition
to the contributor’s name.
(b) If the committee receiving the contribution is supporting or opposing a ballot measure, and the passage or defeat of the ballot measure directly benefits or harms the employer of the identifiable contributor, then the disclosure shall include the occupation and employer of the identifiable contributor in addition to the contributor’s name. However, if an employer of an identifiable contributor is also an identifiable contributor of that committee, then the contributions of the employees shall, instead, be deemed to be contributions by the employer for purposes of determining the total cumulative contribution made by the employer in order to determine which identifiable contributors shall be disclosed on an advertisement pursuant to this article.

(c) If the committee receiving the contribution is supporting or opposing a ballot measure, and the passage or defeat of the ballot measure does not directly benefit or harm the employer of the identifiable contributor, then the disclosure shall include only the name of the identifiable contributor.


84508. If disclosure of two major donors is required by Sections 84503 and 84506, the committee shall be required to disclose, in addition to the committee name, only its highest major contributor in any advertisement which is:

(a) An electronic broadcast of 15 seconds or less, or
(b) A newspaper, magazine, or other public print media advertisement which is 20 square inches or less.

SEC. 17. Section 84508 is added to the Government Code, to read:

84508. Disclosures made pursuant to Sections 84506 to 84506.3, inclusive, shall be sufficient to identify the identifiable contributor but need not include such legal terms as incorporated, committee, political action committee, or company, or their abbreviations. Nothing in this section shall prevent a contributor from being disclosed as a name used in common usage or parlance, including, but not limited to, an abbreviation or acronym.

SEC. 18. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the duties imposed on a local agency or school district by this act were expressly included in a ballot measure approved by the voters.
in a statewide election, within the meaning of Section 17556 of the Government Code.

SEC. 19. The Secretary of State shall, pursuant to subdivision (b) of Section 81012 of the Government Code, submit Sections 1 to 17, inclusive, of this act to the voters for approval at a statewide election in accordance with Section 9040 of the Elections Code.