



## FAQ on the DISCLOSE Act of 2012

Q. Why is the DISCLOSE Act needed?

A. Following the Supreme Court's decision in *Citizens United v. FEC*, we have seen a huge increase in election-related advertising through supposedly "independent" expenditures – and most of the money comes from secret sources. Corporations, unions and wealthy individuals can hide the fact that they are funneling tens of millions of dollars into ad campaigns designed to elect or defeat candidates. The DISCLOSE Act would remedy this situation by requiring disclosure.

Q. Why is disclosure important?

A. Voters deserve and need to know the sources of funding for election advertising so they can make informed decisions. Secret campaign money has no place in America's democracy simply because it undermines the role of the voter and corrupts the election process. Voters have a right to know -- whether it is a corporation, union, trade association, or non-profit advocacy group making unlimited campaign expenditures and influencing elections – so they can judge whether to believe the ads.

The League of Women Voters believes Americans deserve all the information they can get before they vote. Tell us where the money is coming from and let the voters decide.

Q. Is there any other reason for disclosure?

A. It is often said that sunlight is the best disinfectant. Disclosure will operate as a deterrent to quid pro quo corruption because it stops the secret spending that could be part of a corrupt arrangement.

Q. What does the Supreme Court say about campaign finance disclosure?

A. On an 8 – 1 vote in the *Citizens United* case, the Supreme Court upheld disclosure requirements. In fact, the Court pointed in the direction of enhanced disclosure when it said that disclosure is important to "providing the electorate with information." It also supported disclaimer requirements "so that the people will be able to evaluate the arguments to which they are being subjected." We couldn't agree more.

Q. What does the DISCLOSE Act require?

A. The DISCLOSE Act of 2012 is carefully crafted to require disclosure by outside groups of large campaign contributions and expenditures – those over \$10,000 – and includes a valuable "stand-by-your ad" provision for ads run by such groups. It requires outside groups to certify that their spending is not coordinated with candidates and, very importantly, covers transfers of money among groups so that the actual sources of funds being spent to influence federal elections will be known.

Q. Covering transfers of more than \$10,000 among groups for election advertising is really important?

A. Yes. Unless large transfers are disclosed, corporations, unions, trade associations and wealthy individuals would still be able to hide their spending and deceive the voters through "dummy" corporations.

Q. How is enhanced disclosure accomplished in the legislation?

A. One of the key elements of the DISCLOSE Act is the definition of “electioneering communications” that triggers the disclosure requirements. If an ad uses the name or likeness of a candidate within the calendar year of a particular House or Senate election, then disclosure is required. Current law only requires disclosure of ads within 90 days of a general election, a period of time that is proving much too short with the huge campaign expenditures we are seeing – and made possible by – *Citizens United*.

Q. Is the “stand by your ad” requirement an important part of disclosure?

A. Yes, it is. The requirement for the main funder(s) of an ad to appear briefly in the ad ensures that the voters will hear directly and immediately who is paying for and is responsible for the ad.

Q. What about “independent” expenditures?

A. In *Citizens United*, the Supreme Court said that independent expenditures can’t corrupt since they are not done in concert or coordinated with a candidate. That’s why the Court allowed unlimited independent spending. But the real world is not so simple. Because the Federal Election Commission has failed miserably to properly define “independent” expenditures (as courts have repeatedly found), much of the current spending is not independent at all. Thus, in order to overcome the effects of *Citizens United*, regulatory, congressional or legal action is necessary to properly narrow what passes for “independent” spending.

Q. Will candidates benefit from the DISCLOSE Act?

A. Candidates also benefit from disclosure of the sources of independent expenditures. There is a danger that the candidates’ own voices will be drowned out by huge outside spending, and that a last-minute onslaught of untrue charges from secret spenders will alter the outcome of an election without the candidate being able to challenge the sources or to hold them accountable in any way.

Q. Wouldn’t it be better just to get rid of contribution limits so that candidates would receive all the funding for a campaign?

A. No. Abolishing contribution limits to candidates will simply legalize corruption by allowing unlimited gifts to those who will become public officials. And it will do nothing about independent expenditures, which could continue in secret.

Q. Won’t disclosure of large contributions expose funders to unfair retaliation by disgruntled activists?

A. The Supreme Court has held that the value of disclosure to informing voters outweighs any minor or imagined retaliation against funders. The Court has said that in real, demonstrated cases of retaliation, an exception to disclosure may be granted.

Q. Aren’t unions given special treatment in the DISCLOSE Act so that Democrats can protect their funding sources?

A. We don’t believe so. Unions are covered by the DISCLOSE Act, just as for-profit and non-profit corporations and trade associations such as the Chamber of Commerce are covered.

Q. Isn’t the DISCLOSE Act just a way to limit Republican funding sources so that Democrats will have an electoral advantage?

A. When campaign finance loopholes are created, both political parties typically do their best to exploit the loophole. The disclosure loophole created by the huge spending unleashed by *Citizens United* will be no different. The voters are the ones who will lose because without disclosure, they can’t know who is trying to influence their votes.