

## **Minnesota DISCLOSE Act – HF2727 (Halverson)**

- Millions of dollars in campaign spending by special interest groups – much of it undisclosed – is drowning out the voices of ordinary Minnesotans who increasingly feel like their voice isn't heard and their vote doesn't matter.
- The same special interests behind the dark money spent in elections are benefitting from the policy choices of the current Republican majority, which has consistently put their interests ahead of those of ordinary Minnesotans.
- Last session House Republican blocked repeated efforts by Democrats to increase transparency in our elections, choosing to protect their secret donors at the expense of all Minnesota voters. It should be no surprise that Republicans also made their top priority a tax cut for large corporate special interests.
- The “Minnesota DISCLOSE (Democracy is Strengthened by Casting Light on Spending in Elections) Act” is a constitutional amendment that would reform the state’s campaign finance system by shining a light on the dark money spent in elections, guaranteeing voters a right to know who is paying to influence their vote.
- Minnesotans of all political stripes support campaign finance reform and more transparency in our elections. Yet the same special interests who benefit from a lack of transparency are blocking progress on commonsense reforms.
- The Minnesota DISCLOSE Act would take this decision out of the hands of the special interests and give Minnesotans the opportunity to cast a vote on this important reform. We believe it would pass with broad support.

### **What is the DISCLOSE Act?**

The Minnesota DISCLOSE Act would put a constitutional amendment on the ballot this year that would allow voters to decide whether or not to reform our state’s campaign finance system to bring greater transparency to spending in state elections.

### **Why is it necessary?**

Citizens United opened the floodgates of “dark money” in state and national politics. Millions are spent annually in Minnesota elections – much of it untraceable to the true source. Voters who are inundated with these outside political communications have no way of knowing who is spending money, or how much. Minnesotans have the right to know who is spending money trying to influence their vote and influence policy decisions at the State Capitol.

### **What is “dark money” and is it really a problem?**

“Dark money” is a term for money spent by so-called “social welfare” nonprofit (501c4) organizations on communications which do not expressly advocate for the election or defeat of a candidate. This spending is done in competitive races and is clearly intended to influence the outcome of an election. Individuals, special interest organizations and corporations can all contribute anonymously to these organizations. The amount of dark money has dramatically increased in Minnesota in recent elections, and a recent study of money spent nationally estimated a whopping 2/3 of it was so-called dark money.

### **How would the Minnesota DISCLOSE Act address the problem?**

The Minnesota DISCLOSE Act aims to eliminate a campaign finance loophole that currently exempts certain political groups from reporting spending on “issue based” communications, even if they are spent in close proximity to an election and clearly intended to influence voters’ decisions in it.

As an example, the Minnesota Jobs Coalition sent dozens of mailers in a handful of competitive legislative districts in support of Republican candidates in 2015, but do not have to report how much they are spending on those mailers or who is funding them. If voters approved the DISCLOSE Act constitutional amendment, special interest groups would be required to disclose the sources and amounts of that spending.

### **Why is this something that rises to the level of a constitutional amendment?**

The Minnesota Constitution, Article VII Section 9 states that, “The legislature shall provide by law for disclosure of contributions and expenditures made to support or oppose candidates for state elective offices.” That was written well before Citizens United, at a time where there was no such thing as 527s or Super PACs. It’s time to update the language to match today’s realities.

Unfortunately, last session House Republicans repeatedly blocked efforts to allow a vote on whether to increase disclosure of spending in elections. They are protecting the same secret donors that fund their campaigns from having to disclose their spending. If the special interests won’t allow a vote, we should let Minnesotans decide for themselves.

### **How would this constitutional amendment affect organizations that communicate their own membership?**

This bill specifically exempts an organization’s communications with its membership from disclosure requirements. This alleviates any legitimate concerns from organizations that have voiced opposition to greater disclosure on the grounds that it would force some of their larger donors to be disclosed publicly.

### **How do you know that this is something that the public supports?**

Virtually every publicly available poll on the issue of campaign finance reform shows that strong majorities of Americans believe reform is needed. They know that the current system is rigged in favor of wealthy elites and corporate special interests. In

fact, what we're proposing with the Minnesota DISCLOSE Act is relatively modest reform, as both Minnesotans and Americans want to see significant changes made to our campaign finance and elections system.

**When would this be on the ballot and what impact would it have on the election?**

We are proposing to put this to voters in this year's elections. Millions of dollars in dark money was likely spent in the 2014 elections and it's only going to get worse. This amendment won't put a stop to that spending, but it will make those behind it accountable to voters. This is commonsense government reform, just like the amendment removing legislators' ability to raise their own pay. We believe these reforms will have widespread support from voters of all political parties, and are not intended to benefit one side or the other.

**If the legislature approved the Minnesota DISCLOSE Act, what question would be on the ballot in 2016?**

"Shall the Minnesota Constitution be amended to require public disclosure of contributions and expenditures made for communications that expressly advocate for or against a candidate for state elected office, or which could be interpreted by a reasonable person as advocating the election or defeat of a candidate for state elected office?"