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Matsui Supports Legislation Requiring Corporations to DISCLOSE Campaign Contributions

Act Would Undo Disastrous Effects of Citizens United Supreme Court Decision

WASHINGTON, D.C.— Today, Congresswoman Doris Matsui (CA-05) joined her colleagues in support of H.R. 5175, the Democracy Is Strengthened By Casting Light On Spending in Elections (DISCLOSE) Act, which requires corporations to disclose their campaign contributions, and brings back accountability to our campaign finance system. This landmark bill is the most far-reaching and significant campaign finance reform law since the McCain-Feingold Act, and does more to strengthen disclosure and transparency than any measure in recent history.

The legislation is a response to the Supreme Court's decision in the Citizens United v. Federal Elections Commission (FEC) case, which set a dangerous precedent by allowing shadow organizations to have unlimited influence over the outcome of Congressional elections. The DISCLOSE Act fixes the loopholes created by the decision, and restores transparency to our democratic system of government. If enacted, DISCLOSE will require nearly all companies and organizations to include identification on the ads they sponsor and to provide shareholders with information on those political expenditures.

“It was greatly troubling to me that as a result of the Citizens United decision, large special interest corporations – including those same Wall Street firms who got us into this economic crisis and who now are fighting financial regulatory reform – would have the ability to pump millions upon millions of dollars into individual Congressional races around the country,” Matsui said. “Just as corporations have a right to have their voice heard, so do individuals who may not have millions on hand to donate to a preferred candidate. That’s why passage of the

DISCLOSE Act is so important to enact into law – and as soon as possible.”

This bipartisan legislation will accomplish three important goals: 1) To increase transparency and disclosure of political spending; 2) To prevent foreign companies—including those owned by hostile foreign governments—from influencing America’s elections; and 3) To ensure that entities that receive taxpayer money cannot turn around and spend that money in Federal elections.

The DISCLOSE Act requires corporations, organizations, and special interest groups to stand by their political advertising just like a candidate for office does. It will stop big corporations from secretly manipulating elections by funneling money to front groups that run last minute attack ads and other anonymous election advertisements against Federal candidates. Not only would CEOs need to identify themselves in their advertisements as a result of this legislation, corporations and organizations would be required to disclose their political expenditures. The bill also prohibits entities that receive taxpayer money – such as large government contractors and corporations – from turning around and spending that money to influence elections.

Rep. Matsui expressed her hope that people on both sides of the aisle – regardless of party affiliation – can agree that Americans have a right to know who is spending money on their elections. “We can’t flood our democracy with millions of dollars in political expenditures and then keep people in the dark about who is trying to influence them,” she stated. “Our goal is to provide more information to the American people so they can make informed decisions. It is our duty to protect the democratic system of government we all participate in from being bought by powerful special interests.”

The DISCLOSE Act has also been publically supported by key government reform groups, including Campaign Legal Center, Common Cause, Democracy 21, League of Women Voters, and Public Citizen, among others.

The bill was passed today by a vote of 219-206, and now goes to the Senate for consideration.

MAJOR PROVISIONS OF THE DISCLOSE ACT:

- Establishes disclosure requirements for election-related spending by corporations, unions, and

other organizations;

- Amends the Federal Election Campaign Act of 1971 (FECA) to prohibit independent expenditures and payments for electioneering communications by government contractors if the value of the contract is at least \$50,000;
- Also amends FECA to prohibit recipients of assistance under the Troubled Asset Relief Program (TARP) of the Emergency Economic Stabilization Act of 2008 (EESA) from making any contribution to any political party, committee, or candidate for public office, or to any person for any political purpose or use, or from making any independent expenditure or disbursing any funds for an electioneering communication;
- Applies the ban on contributions and expenditures by foreign nationals to foreign-controlled domestic corporations;
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- Requires any person making independent expenditures exceeding \$10,000 to file a disclosure report within 24 hours; and
- Requires corporations, labor organizations, and other covered organizations to include specified additional information in reports on independent expenditures of at least \$10,000.

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