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Governor Signs Legislation to Close "Dark Money" Loopholes

Sacramento – Today the Governor signed Senate Bill 27 (Correa), which will help ensure that campaign contributors can no longer use "dark money" loopholes to avoid disclosure. SB 27 requires large donations from non-profits and other Multi-Purpose Organizations (MPOs) to be disclosed and requires the Commission to post the top 10 contributors to state committees. The bipartisan FPPC sponsored this legislation.

"This bill goes to the heart of disclosing dark money and requiring that the true source of money spent in California elections be reported" said Erin V. Peth, Executive Director of the FPPC. "SB 27 gives the FPPC the ability to shed more light on the extensive networks of non-profits and MPOs masking their donations."

Previously, non-profits and other MPOs with no history of political spending could make a one-time contribution in California without disclosing the identities of the donors. This is the same provision exploited by the Arizona non-profits who attempted to mask the source of two independent expenditure contributions in the 2012 election. SB 27 tightens these rules and helps prevent large networks of non-profits from being used to conceal the identities of donors.

This bill also increases transparency by requiring state committees that raise \$1 million or more to provide the FPPC with a report of their top 10 contributors, which the FPPC will then post on its website. It also mandates that the FPPC compile a list of the top 10 contributors supporting or opposing each statewide ballot measure. This important disclosure will assist voters in understanding who is funding such efforts.